

NEED AND DEMAND ANALYSIS
FOR THE CHESTNUT GROVE APARTMENTS
IN
GAINESVILLE, GEORGIA

Application 2007-046

Prepared for the
Georgia Department of Community Affairs
Office of Affordable Housing

July 2007

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
POST OFFICE BOX 1294
CARY, NORTH CAROLINA 27512-1294
919.233.0670

TABLE OF CONTENTS

INTRODUCTION.....	Page 1
EXECUTIVE SUMMARY.	Page 2
PROJECT DESCRIPTION.	Page 5
SITE EVALUATION.	Page 7
MARKET AREA.....	Page 13
COMMUNITY DEMOGRAPHIC DATA.	Page 15
POPULATION TRENDS.	Page 15
AGE, SEX, AND RACE.	Page 17
HOUSEHOLD TRENDS.....	Page 18
TENURE.	Page 19
HOUSEHOLD SIZE.....	Page 20
HOUSEHOLD INCOME.	Page 21
RENTER HOUSEHOLD INCOME.....	Page 22
RESIDENTIAL CONSTRUCTION SINCE 1990.....	Page 23
EMPLOYMENT TRENDS.	Page 24
EMPLOYMENT BY INDUSTRY, PROJECT MARKET AREA.	Page 25
EMPLOYMENT OUTSIDE OF COUNTY.	Page 25
MAJOR EMPLOYERS.....	Page 26
LABOR FORCE AND EMPLOYMENT.	Page 28
PROJECT SPECIFIC DEMAND ANALYSIS.....	Page 29
INCOME RESTRICTIONS.....	Page 29
AFFORDABILITY.....	Page 32
NEW HOUSEHOLDS.....	Page 35
EXISTING HOUSEHOLDS.....	Page 35
DEMAND.....	Page 37
SUPPLY.	Page 37
CAPTURE RATES.....	Page 39
ABSORPTION RATES.	Page 39
SUPPLY ANALYSIS (COMPARABLE RENTAL DEVELOPMENTS).	Page 40
INTERVIEWS.....	Page 68
CONCLUSIONS AND RECOMMENDATIONS.	Page 69

ANALYST QUALIFICATIONS.....	Page 70
SIGNED STATEMENT.....	Page 71
GLOSSARY.....	Page 72
MARKET ANALYST CERTIFICATION AND CHECKLIST	Page 77

LIST OF TABLES

Table 1 - Population.	Page 15
Table 2 - Population Change.	Page 16
Table 3 - Age, Sex and Race.	Page 17
Table 4 - Population and Households..	Page 18
Table 5 - Tenure.	Page 19
Table 6 - Household Size, by Tenure.	Page 20
Table 7 - Household Income..	Page 21
Table 8 - Household Income, Renter Households..	Page 22
Table 9 - Residential Construction Since 1990.	Page 23
Table 10 - Employment Trends, Hall County, 2002-2004	Page 24
Table 11 - Employment by Industry, Gainesville Market Area.	Page 25
Table 12 - Major Employers..	Page 26
Table 13 - Hall County Labor Force and Employment.	Page 28
Table 14 - Income Limits.	Page 29
Table 15 - Maximum Housing Expense.....	Page 30
Table 16 - Proposed Rents and Utility Allowances.....	Page 31
Table 17 - Minimum Incomes Needed to Afford the Proposed Apartments.....	Page 32
Table 18 - Qualifying Income Ranges.	Page 33
Table 19 - Household Income, Renter Households..	Page 34
Table 20 - Demand Calculations.....	Page 36
Table 21 - Demand Calculations and Capture Rates.	Page 38

INTRODUCTION

This report presents the findings of an analysis of the need and demand for the Chestnut Grove Apartments in Gainesville, Georgia. A total of 142 residential units are to be developed: a mix of 36 one bedroom units, 70 two-bedroom units, and 36 three-bedroom units. Of the total, 100 units will be targeted to households whose incomes qualify their apartments for tax credit status, and 42 units will be unrestricted, market-rate, units.

The study is based on data from official sources such as the United States Census and from other federal, state, and local sources. It should be noted that whereas Census data are necessarily relied on to a significant extent, more recent data are used where available at the appropriate geographic level, and assuming that the source is a reliable one. Where such data are employed, they are cited within the report.

The site of the proposed apartments was visited and the local apartment inventory inspected. In addition, interviews are held with persons with particular knowledge pertinent to the study.

This report is prepared for use as part of an application to the Georgia Department of Community Affairs for an allocation of 2007 low income housing tax credits. The contents and format of the report are prepared in accordance with that agency's guidelines.

The findings of this study are predicated upon the assumption that the proposed development will be located at the site described in the report, that it will be funded through the program under which it was prepared and within the stated projection period. Further, the findings are based on the assumption that once funded, the complex will be well-designed, well-marketed and professionally managed.

To the best of our knowledge, this report is an accurate representation of market conditions. While due care and professional housing market study techniques were used, no guarantee is made of the findings.

EXECUTIVE SUMMARY

The following provides a summary of the market analysis, and is based on the Georgia DCA market study guidelines.

The Gainesville area shows positive economic and population growth which suggest an ongoing demand for additional housing in the area.

Were the project to be built as proposed we would expect that it could experience a relatively long absorption period. Under these circumstances an 18 month absorption would not be unreasonable.

An absorption of 142 units over an 18 month period would suggest an average absorption of eight units per month.

Each of the existing tax credit properties in Gainesville can be considered comparable to the proposed development. Whereas the vast majority of existing tax credit properties have units designated solely for households at 60 percent of the median, Paces Landing is more akin to the proposed development in that it offers a mix of units targeted at 50 and 60 percent of the median, and also some unrestricted units. Lenox Park is comparable to the proposed development in that it is located on the southern side of Interstate 985, not far from the site of the proposed development, whereas the other tax credit projects are on the northern side.

The proposed mix of rents, unit, types, and unit sizes are considered appropriate for a new tax credit property in this community.

The interior and exterior amenities for the proposed development are typical of modern tax credit properties which allow those projects to compete with existing tax credit and market rate properties. The appliance package is also appropriate.

Access from the site to major thoroughfares, shopping, schools, health, and other services is quite good.

The capture rates for the proposed development (the project overall, and by bedroom type) meet Georgia DCA thresholds, except for the two-bedroom units.

It is our recommendation that -- on consideration of the capture rates, the size of the project, the narrowness of the market given that rents are at the maximum allowable, and that there has been considerable supply over the extended projection period -- in order for the project to be considered more marketable it is recommended that the number of units proposed should be reduced and/or the rents be reduced.

The following provides a brief summary of each of the major sections in the market analysis.

The proposed development will comprise the construction of 142 new units of low income housing tax credit financed housing.

The site of the Chestnut Grove Apartments is off Harrison Street, off Athens Street in eastern Gainesville.

There are no apparent environmental, physical, or other constraints upon the construction and marketing of the proposed apartments at this location other than the impact of the proximity of the Interstate highway, and the Harrison Square public housing development.

The market area for the proposed development is south-central Hall County – as defined by the Gainesville census county subdivision.

Labor force and employment data for Hall County show that labor force and employment have exhibited significant growth over the last decade or so, as a whole. Since 1997, for example, labor force has grown by an average of 2.4 percent per year, and employment has averaged 2.3 percent per year over that period.

The population of the Gainesville market area is projected to increase from 73,431 in 2000 to 86,443 in 2006, and to 93,831 in 2009. The number of households is projected to increase from 23,821 in 2000 to 27,101 in 2006 and 28,573 in 2009.

There are many apartment complexes in the Gainesville area. These include market rate complexes, several new tax credit-financed properties, and three subsidized projects. Occupancy in market rate complexes is currently 96.6 percent, and that in tax credit properties is 97.7 percent.

The total potential need for apartments such as are proposed in the Gainesville area by 2009 is calculated to be for 1,945 units. The net need is for 532 units. Capture rates for the proposed 142-unit project are set out in the capture rate analysis chart (on the following page).

It is our recommendation that -- on consideration of the capture rates, the size of the project, the narrowness of the market given that rents are at the maximum allowable, and that there has been considerable supply over the extended projection period – in order for the project to be considered more marketable it is recommended that the number of units proposed should be reduced and/or the rents be reduced.

Capture Rate Analysis Chart

Unit Size	Income limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption (see text)	Median Market Rent	Proposed Rents
1 Bdrm	30% AMI	4	112	0	112	3.6		\$596	\$256
	50%AMI	11	114	0	114	9.7		\$596	\$475
	60% AMI	10	107	200	-93	-10.7		\$596	\$590
	Market Rate	11	366	100	266	4.1		\$596	\$595
1 Bdrm	TOTAL	36	478	300	178	20.2	12		
2 Bdrm	30% AMI	7	200	0	200	3.5		\$718	\$301
	50%AMI	22	203	14	189	11.6		\$718	\$565
	60% AMI	20	191	496	-305	-6.6		\$718	\$700
	Market Rate	21	654	198	456	4.6		\$718	\$710
2 Bdrm	TOTAL	70	85 4	708	146	47.9	18		
3 Bdrm	30% AMI	4	143	0	143	2.8		\$875	\$339
	50%AMI	10	146	40	106	9.5		\$875	\$645
	60% AMI	12	133	301	-164	-7.3		\$875	\$790
	Market Rate	10	470	64	406	2.5		\$875	\$795
3 Bdrm	TOTAL	36	613	405	208	17.3	12		
4Bdrm	30% AMI								
	50%AMI								
	60% AMI								
	Market								
4 Bdrm	TOTAL								

Proposed Project Capture Rate LIHTC Units	36.6
Proposed Project Capture Rate Market Rate Units	3.5
Proposed Project Capture Rate ALL Units	26.7
Proposed Project Stabilization Period	18 months

PROJECT DESCRIPTION

The Chestnut Grove Apartments are to be located off Harrison Street, off Athens Street in eastern Gainesville. They are to provide 142 units of apartments to be built for family tenants.

There will be 36 one-bedroom units, 70 two-bedroom units, and 36 three-bedroom units. Of the total 142 units, 15 will be targeted to households with income up to 30 percent of the median, 43 will be targeted to households with incomes up to 50 percent of the area median, and 42 will be targeted to households with incomes up to 60 percent of the median, and therefore qualify those units for tax credit status. In addition, there will be 42 unrestricted, market rate units.

There are 36 one-bedroom/one bathroom units of around 850 square feet, 70 two-bedroom/two bathroom units of around 1,000 square feet, and 36 three-bedroom/two bathroom units of around 1,200 square feet. The project comprises four three-story walk-up buildings.

The project is to be configured as follows:

	<u>No. of units</u>	<u>Rent</u>	<u>Utilities</u>	<u>Targeting*</u>
1 bedroom/1 bathroom	4	\$557	\$77	less than 30 percent
1 bedroom/1 bathroom	11	\$557	\$77	less than 50 percent
1 bedroom/1 bathroom	10	\$616	\$77	less than 60 percent
1 bedroom/1 bathroom	11	\$616	\$77	unrestricted
2 bedroom/2 bathroom	7	\$695	\$100	less than 30 percent
2 bedroom/2 bathroom	22	\$557	\$100	less than 50 percent
2 bedroom/2 bathroom	20	\$557	\$100	less than 60 percent
2 bedroom/2 bathroom	21	\$616	\$100	unrestricted
3 bedroom/2 bathroom	4	\$616	\$124	less than 30 percent
3 bedroom/2 bathroom	10	\$695	\$124	less than 50 percent
3 bedroom/2 bathroom	12	\$616	\$124	less than 60 percent
3 bedroom/2 bathroom	10	\$695	\$124	unrestricted

* Percent of area median

Source: Developer

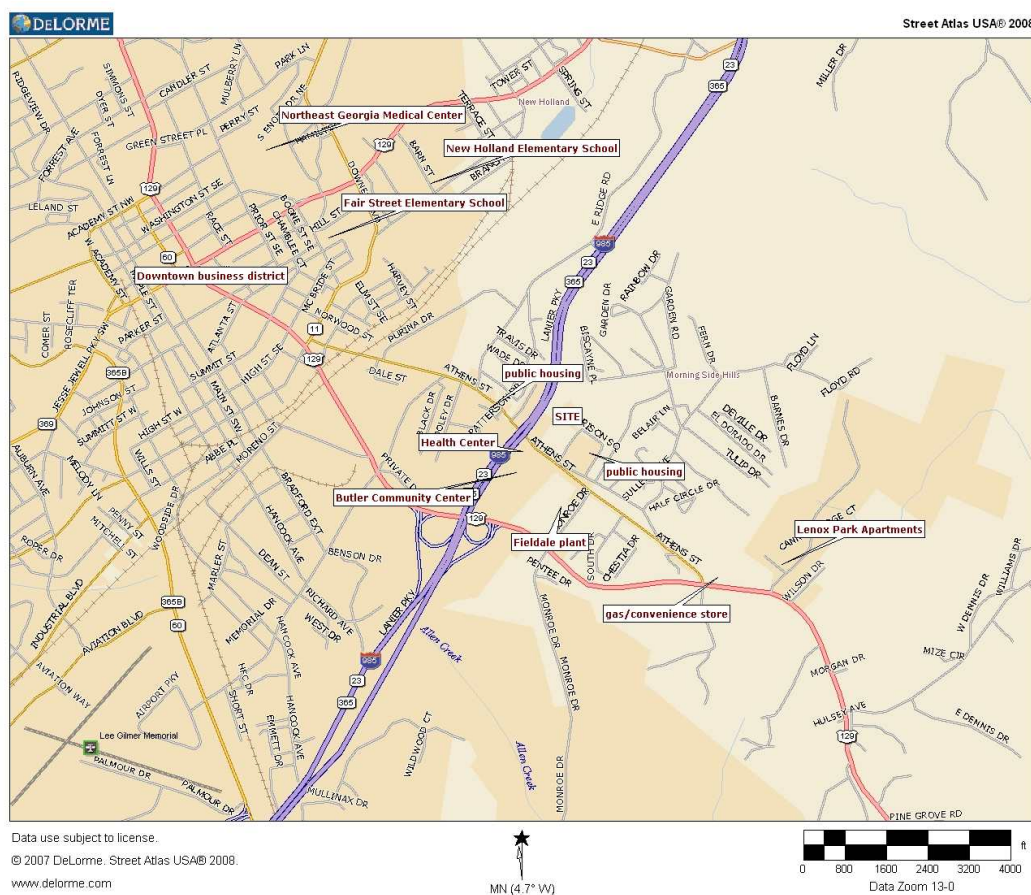
Project-based rental assistance is not available.

Based upon the application, the proposed development will feature the following required amenities: refrigerator, stove, heating and air conditioning, an on-site laundry, a community building with leasing office and general purpose room. Optional amenities to be provided (as per the application) include an equipped walking path (with exercise stations or sitting areas), an equipped play court, playground, a covered pavilion (with picnic facilities), a picnic area, tot lot, an equipped exercise/fitness center, an equipped computer center, a children's activity center, a sprinkler and alarm system, a built-in dishwasher and a microwave oven and a disposal in each unit, and washer and dryer hook-ups (in addition to on-site laundry).

As per the application, the project placed in-service date is June 15, 2009.

SITE EVALUATION¹

The site of the Chestnut Grove Apartments is off Harrison Street, off Athens Street in eastern Gainesville. Adjacent properties include Interstate 985, a church (and cemetery), a Gainesville Housing Authority public housing complex (Harrison Square), and some single-family homes. Other properties in the vicinity of the site include the Morningside Heights subdivision to the north, and a Fieldale poultry processing plant off Athens Street.



¹ Site visit was conducted on June 14 2007



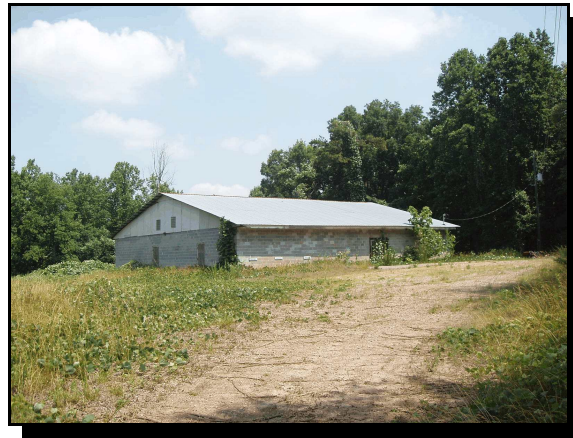
View onto site



View onto site - near entrance



Abandoned building on property



Other abandoned building on property



View from site towards I-985



View from near entrance to site



Harrison Square - public housing near site



View towards site - easternmost portion



View towards site, across I-985, at Athens St.

Access from the site to major thoroughfares, shopping, schools, health, and other services is quite good.

There is no access to Interstate 985 at Athens Street, the closest interchange is at the E.E. Butler Parkway (US 129) to the south.

There are several small neighborhood-oriented grocery/convenience stores located along Athens Street within easy reach of the site of the proposed development.

The E.E. Butler Center and the Hall County Health Department are located on the south of Athens Street, to the east of the bridge over Interstate 985.

Public bus service is available on Athens Street.

The Lenox Park low income housing tax credit project is located off the Butler Parkway, within one and one-fourth miles of the site.

The site is within two miles of both the Fair Street elementary school and the New Holland elementary school. The Gainesville middle school and the Gainesville high school are approximately three miles from the site of the proposed development.

The site is within two miles of the Northeast Georgia Regional Medical Center and associated medical services.

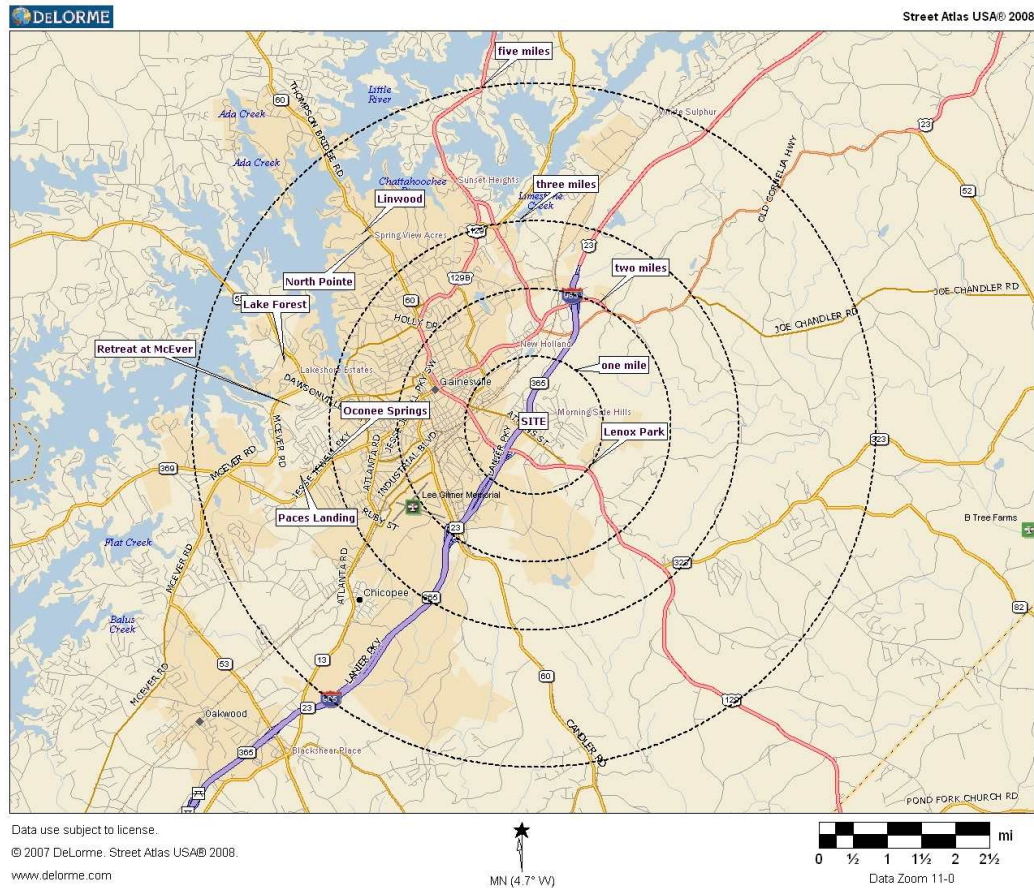
The site is within one and one-half miles of the government, shopping, and other services located in the Gainesville downtown business district.

Based on the application, the site is zoned for multi-family development.



The property is easily accessed from Athens Street and the Butler Parkway, but is not visible from either thoroughfare. The site is visible from, but cannot be accessed from, Interstate 985. It is understood that additional screening will be provided in order to mitigate potential noise issues.

The site is partially wooded, and is sloping – with a significant proportion of the site being undisturbed wetlands (to the north and east of the property). There are two abandoned buildings on the site. There are no apparent environmental, physical, or other constraints upon the construction and marketing of the proposed apartments at this location other than the impact of the proximity of the Interstate highway, and the Harrison Square public housing development.



Existing low income housing

JOHN WALL AND ASSOCIATES
 an independent licensee of JWA, Inc.
 CARY, NORTH CAROLINA
 919.233.0670

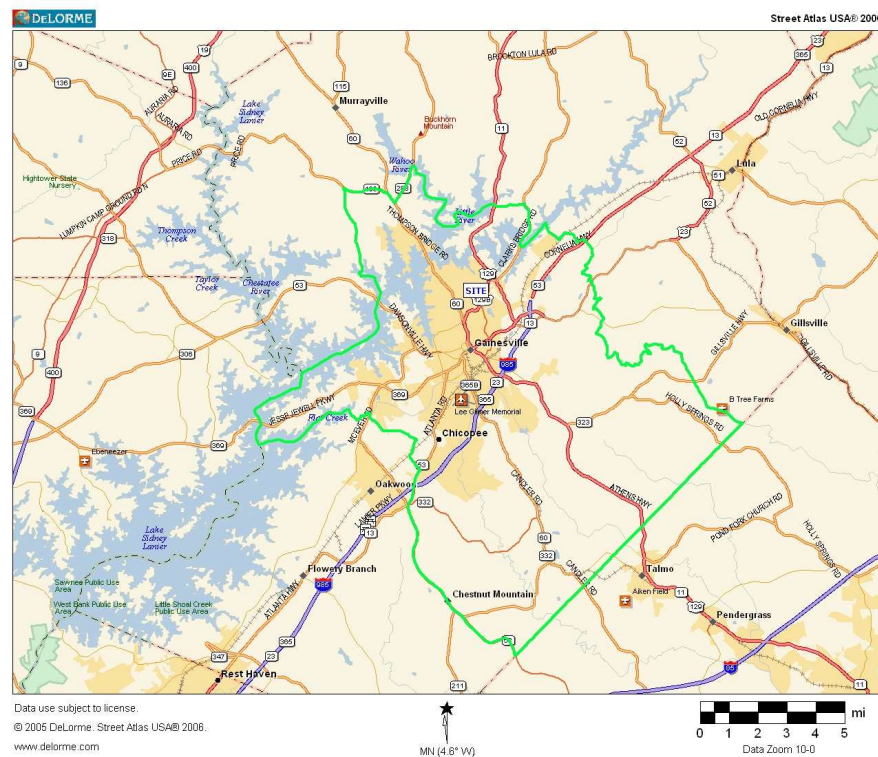
MARKET AREA

Market areas are defined on the basis of the consideration of many inter-related factors. These include consideration of the site location, consideration of socio-demographic characteristics of the area (tenure, income, rent-levels, etc.), local commuting patterns, physical (or other) boundaries, census geographies, and especially the location of comparable and/or potentially competing communities.

In communities such as county seats where that community is the county's largest community and is centrally located and can draw from the entire county, the county may be the market area. In circumstances where there are potentially competing communities in one county, the market area will be that part of the county (and, potentially, portions of adjacent counties) which the proposed development is most likely to draw from. Here, a combination of census county subdivisions (townships) may be used to define the market area. In urban or suburban markets, the market area will be areas adjacent to the site and will extend to all locations of relatively similar character, and with residents or potential residents likely to be interested in the project. Here combinations of census county subdivisions (townships) or combinations of census tracts, may be used to define the market area.

Gainesville is located in central Hall County, in north-eastern Georgia. The market area for the proposed development is south-central Hall County – as defined by the Gainesville census county subdivision. This area is roughly that area within Hall County, south of Lake Lanier (except for a small area off Thompson Bridge Road), between the Winder Highway (Highway 53), and the North Oconee River. This area is focused on Gainesville and extends to an approximately seven-mile hinterland to the south. This area is that which constitutes the geographic area adjacent to Gainesville and extends to all locations of relatively similar character, and with residents or potential residents likely to be interested in the project.

In accordance with Georgia DCA recommendations, this market area is considered both reasonable and somewhat conservative in order to ensure that demand is not overstated when, as required, demand calculations are adjusted to account for potential demand from outwith this area, as defined.



Gainesville Market Area

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
CARY, NORTH CAROLINA
919.233.0670

COMMUNITY DEMOGRAPHIC DATA

POPULATION TRENDS

In 1990, the population of Hall County was 95,428, and in 2000 the population was recorded as 139,277. Population projections at the county level are provided by the Georgia State Data Center. Based on these, the population of Hall County is projected to be around 166,213 by 2006 and 179,719 by 2009.

Population projections for the Gainesville market area are based on the average of several small area population projection techniques using the 1990 to 2000 trends at the county subdivision level, adjusted for the county projection. The projection is that in 2006 the project market area will have a population of around 86,443, and around 93,831 in 2009. In 2000, the population of the market area was 73,431.

Information on population changes between 1990 and 2014 are set out in Table 2, overleaf.

Table 1 - Population

	Gainesville	Market Area	Hall County
1990	17,885	51,158	95,428
2000	25,578	73,431	139,277
2006	31,702	86,443	166,213
2009	35,294	93,831	179,719
2014	42,208	104,258	204,393

Source: 1990 Census and 2000 Census; Georgia State Data Center; John Wall and Associates

Table 2 - Population Change

Absolute change

	Gainesville	Market Area	Hall County
1990-2000	7,693	22,273	43,849
2000-2006	6,124	13,102	26,936
2006-2009	3,592	7,388	13,506
2009-2014	6,914	10,427	24,674

Annual change

1990-2000	769	2,227	4,385
2000-2006	1,021	2,169	4,489
2006-2009	1,197	2,463	4,502
2009-2014	1,383	2,085	4,935

Annual average rate of change(%)

1990-2000	4.30	4.35	4.59
2000-2006	3.92	2.95	3.22
2006-2009	3.78	2.85	2.71
2009-2014	3.92	2.22	2.75

Source: 1990 Census and 2000 Census; John Wall and Associates.

AGE, SEX, AND RACE

Information on the age, sex, and racial characteristics of the population of Gainesville, the Gainesville market area, and Hall County are set out in Table 3, below. It is noteworthy that as many as 30.5 percent of the population of the market area for the proposed development are recorded as Hispanic.

Table 3 - Age, Sex and Race

<u>Age</u>	Gainesville		Market Area		Hall County	
	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>
under 5 years	2,116	8.3	6,257	8.5	11,417	8.2
5 to 9 years	1,765	6.9	5,412	7.4	10,370	7.4
10 to 14 years	1,489	5.8	4,930	6.7	9,883	7.1
15 to 19 years	2,060	8.1	5,767	7.9	10,140	7.3
20 to 24 years	2,823	11.0	6,823	9.3	10,798	7.8
25 to 34 years	4,676	18.3	12,868	17.5	23,305	16.7
35 to 44 years	3,140	12.3	10,369	14.1	21,630	15.5
45 to 54 years	2,623	10.3	8,257	11.2	17,327	12.4
55 to 59 years	933	3.6	3,018	4.1	6,400	4.6
60 to 64 years	745	2.9	2,368	3.2	4,940	3.5
65 to 74 years	1,466	5.7	3,912	5.3	7,488	5.4
75 to 84 years	1,205	4.7	2,576	3.5	4,241	3.0
85 years and over	537	2.1	874	1.2	1,338	1.0
<u>Sex</u>						
Male	12,661	49.5	37,751	51.4	70,884	50.9
Female	12,917	50.5	35,680	48.6	68,393	49.1
<u>Race</u>						
White	16,680	65.2	52,148	71.0	112,470	80.8
Black or African American	4,023	15.7	8,061	11.0	10,126	7.3
Other race	4,875	19.1	13,222	18.0	16,681	12.0
Hispanic or Latino (any race)	8,484	33.2	22,432	30.5	27,242	19.6

Source: 2000 Census; John Wall and Associates

HOUSEHOLD TRENDS

Projections of the number of households for Gainesville, the market area, and for Hall County are set out in Table 4, below. In 2000, the average household size for the Gainesville market area was 3.00 persons, compared with 2.66 in 1990.

Table 4 - Population and Households

Gainesville	<u>Population</u>	<u>Group Quarters</u>	<u>Households</u>	<u>Persons per Household</u>
1990	17,885	855	6,940	2.45
2000	25,578	1,760	8,537	2.79
2006	31,702	1,760	10,324	2.90
2009	35,294	1,760	11,335	2.96
2014	42,208	1,760	13,228	3.06
Market Area				
1990	51,158	1,326	18,704	2.66
2000	73,431	2,059	23,821	3.00
2006	86,443	2,059	27,101	3.11
2009	93,831	2,059	28,573	3.21
2014	104,258	2,059	31,110	3.29
Hall County				
1990	95,428	1,549	34,721	2.70
2000	139,277	2,297	47,381	2.89
2006	166,213	2,297	54,541	3.01
2009	179,719	2,297	57,876	3.01
2014	204,393	2,297	63,783	3.17

Source: 1990 Census and 2000 Census; John Wall and Associates.

TENURE

Table 5, below, sets out the number and proportion of owner and renter households for Gainesville, the Gainesville market area, and for Hall County. In the years beyond 2000, the tenure proportions are assumed to be the same as for 2000. In 2000, 38.3 percent of households in the market area were renters, compared with 56.3 percent for Gainesville, and 28.9 percent for Hall County.

Table 5 - Tenure

Gainesville	All households	Owner-occupied		Renter-occupied	
		<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>
1990	6,940	3,286	47.3	3,654	52.7
2000	8,537	3,734	43.7	4,803	56.3
2006	10,324	4,516	43.7	5,808	56.3
2009	11,335	4,958	43.7	6,377	56.3
2014	13,228	5,786	43.7	7,442	56.3
Market Area					
1990	18,704	11,614	62.1	7,090	37.9
2000	23,821	14,696	61.7	9,125	38.3
2006	27,101	16,720	61.7	10,381	38.3
2009	28,573	17,628	61.7	10,945	38.3
2014	31,110	19,193	61.7	11,917	38.3
Hall County					
1990	34,721	24,097	69.4	10,624	30.6
2000	47,381	33,676	71.1	13,705	28.9
2006	54,541	38,765	71.1	15,776	28.9
2009	57,876	41,135	71.1	16,741	28.9
2014	63,783	45,334	71.1	18,449	28.9

Source: 1990 Census and 2000 Census; John Wall and Associates

HOUSEHOLD SIZE

Table 6 below, sets out household size, by tenure, for households in Gainesville, the Gainesville market area, and Hall County.

Table 6 - Household Size, by Tenure

	Gainesville		Market Area		Hall County	
	<u>owner</u>	<u>renter</u>	<u>owner</u>	<u>renter</u>	<u>owner</u>	<u>renter</u>
1 person	936	1,584	2,775	2,370	5,703	3,380
2 person	1,383	1,099	3,219	1,962	11,967	3,219
3 person	552	674	2,306	1,389	6,428	2,306
4 person	390	539	2,017	1,240	5,564	2,017
5 person	223	369	1,273	897	2,421	1,273
6 person	102	213	651	502	829	651
7+ person	148	325	859	765	764	859

Source: 2000 Census; John Wall and Associates

HOUSEHOLD INCOME

The distribution of household incomes for Gainesville, the Gainesville market area, and for Hall County, and Georgia as a whole are set out in Table 7, below. From this table it can be seen that the median income for the market area in 1999 was \$40,702 and the corresponding figure for Hall County was \$44,908.

Table 7 - Household Income

	Gainesville		Market Area		Hall County		Georgia	
	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>
less than \$10,000	1,222	14.5	2,434	10.2	3,901	8.2	304,816	10.1
\$10,000 to \$14,999	507	6.0	1,399	5.9	2,307	4.9	176,059	5.9
\$15,000 to \$19,999	643	7.6	1,561	6.6	2,665	5.6	177,676	5.9
\$20,000 to \$24,999	434	5.1	1,379	5.8	2,716	5.7	191,603	6.4
\$25,000 to \$29,999	588	7.0	1,515	6.4	2,909	6.1	191,619	6.4
\$30,000 to \$34,999	622	7.4	1,793	7.5	3,352	7.1	187,070	6.2
\$35,000 to \$39,999	562	6.7	1,594	6.7	2,903	6.1	176,616	5.9
\$40,000 to \$44,999	450	5.3	1,457	6.1	2,991	6.3	173,820	5.8
\$45,000 to \$49,999	304	3.6	1,184	5.0	2,729	5.8	152,525	5.1
\$50,000 to \$59,999	619	7.3	2,218	9.3	4,962	10.5	278,017	9.2
\$60,000 to \$74,999	720	8.5	2,406	10.1	5,372	11.3	315,186	10.5
\$75,000 to \$99,999	748	8.9	2,287	9.6	5,384	11.4	311,651	10.4
\$100,000 to \$124,999	368	4.4	1,108	4.7	2,438	5.1	157,818	5.2
\$125,000 to \$149,999	208	2.5	462	1.9	906	1.9	76,275	2.5
\$150,000 to \$199,999	131	1.6	367	1.5	803	1.7	66,084	2.2
\$200,000 or more	304	3.6	629	2.6	1,053	2.2	70,843	2.4
median	\$36,605		\$40,762		\$44,908		\$42,433	

Source: 2000 Census; John Wall and Associates

RENTER HOUSEHOLD INCOME

The distribution of household incomes for renter households for Gainesville, the Gainesville market area, and for Hall County as a whole are set out in Table 8, below.

Table 8 - Household Income, Renter Households

	Gainesville		Market Area		Hall County	
	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>
less than \$10,000	1038	21.9	1600	17.7	2100	15.6
\$10,000 to \$19,999	807	17.0	1519	16.8	2125	15.8
\$20,000 to \$34,999	1106	23.3	2192	24.2	3449	25.6
\$35,000 to \$49,999	725	15.3	1590	17.5	2614	19.4
\$50,000 to \$74,999	623	13.1	1323	14.6	1954	14.5
\$75,000 to \$99,999	228	4.8	470	5.2	741	5.5
\$100,000 or more	220	4.6	367	4.1	495	3.7

Source: 2000 Census; John Wall and Associates

RESIDENTIAL CONSTRUCTION SINCE 1990

Table 9 below gives details of residential construction in Hall County since 1990. Where the data exist, it can be seen that a total of 5,151 units were added in Gainesville (3,309 of which were multi-family units) with 27,349 units added throughout Hall County. No data are available for the market area.

Table 9 - Residential Construction Since 1990

	Hall County			Gainesville		
	Total	single-family	multi-family	Total	single-family	multi-family
1990	631	617	14	32	18	14
1991	626	610	16	33	17	16
1992	833	831	2	47	47	0
1993	1,186	962	224	270	48	222
1994	1,148	1,056	92	119	46	73
1995	1,214	1,179	35	86	65	21
1996	1,690	1,407	283	334	67	267
1997	1,959	1,590	369	418	121	297
1998	2,053	1,735	318	424	187	237
1999	2,624	1,903	721	889	176	713
2000	2,121	1,633	488	572	97	475
2001	1,699	1,611	88	147	70	77
2002	1,919	1,464	455	547	163	384
2003	1,830	1,525	305	421	147	274
2004	1,758	1,736	22	180	170	10
2005	2,204	2,094	110	352	242	110
2006	1,854	1,702	152	280	161	119
Total	27,349	23,655	3,694	5,151	1,842	3,309

¹ Units

Source: Current Construction Reports, C-40; Bureau of the Census; John Wall and Associates

EMPLOYMENT TRENDS

The distribution of employment, by industry, for Hall County from 2002 to 2004 (the most recent annual data available) is set out in Table 10, below. From this table it is seen that the largest employment sectors include manufacturing, retail trade, healthcare, and local government. Employment in manufacturing amounted to 25.2 percent of the total for 2004 (having accounted for 28.1 percent in 2002).

Table 10 - Employment Trends, Hall County, 2002-2004

	2003		2004		2004	
	number	percent	number	percent	number	percent
Total	65,784	100.0	65,848	100.0	67,293	100.0
Agriculture, Forestry, etc	441	0.7	423	0.6	449	0.0
Mining	65	0.1	59	0.1		
Utilities	161	0.2	157	0.2	160	0.2
Construction	3,509	5.3	3,771	5.7	4,033	6.0
Manufacturing	17,573	26.7	16,567	25.2	16,577	24.6
Wholesale trade	3,455	5.3	3,522	5.3	3,344	5.0
Retail trade	6,927	10.5	6,796	10.3	7,074	10.5
Transp. and Warehousing	1,601	2.4	1,780	2.7	1,916	2.8
Information	481	0.7	157	0.2	624	0.9
Financial and Insurance	2,415	3.7	2,515	3.8	2,590	3.8
Real estate	472	0.7	600	0.9	626	0.9
Professional and Technical services	1,453	2.2	1,499	2.3	1,574	2.3
Management	322	0.5	330	0.5	338	0.5
Administrative and Waste services	3,080	4.7	3,069	4.7	3,065	4.6
Educational services	1,226	1.9	1,096	1.7	1,128	1.7
Health Care, and Social Assistance	7,526	11.4	7,982	12.1	8,051	12.0
Arts, Entertainment, Recreation	452	0.7	413	0.6	459	0.7
Accommodation and Food services	4,322	6.6	4,551	6.9	4,274	6.4
Other Services	1,155	1.8	1,303	2.0	1,461	2.2
Unclassified	47	0.1	84	0.1	26	0.0
Federal Government	498	0.8	502	0.8	493	0.7
State Government	2,355	3.6	2,339	3.6	2,494	3.7
Local Government	6,248	9.5	6,333	9.6	6,537	9.7

Source: Georgia Department of Labor

EMPLOYMENT BY INDUSTRY, PROJECT MARKET AREA

The distribution of employment, by industry, (by place of residence) for the Gainesville market area is set out in Table 11, below. This information is from the 2000 Census.

Table 11 - Employment by Industry, Gainesville Market Area

	<u>persons</u>	<u>percentage</u>
Agriculture (and mining)	450	1.4
Construction	3,427	10.3
Manufacturing	9,999	30.1
Wholesale Trade	1,412	4.2
Retail Trade	3,126	9.4
Transportation, etc	1,161	3.5
Information	537	1.6
Finance, Insurance, Real Estate	1,644	4.9
Professional, etc	2,063	6.2
Education, Health, Social Services	4,903	14.7
Arts, Entertainment, Recreation, etc	2,099	6.3
Other Services	1,566	4.7
Public Administration	872	2.6
Total	33,259	100.0

Source: 2000 Census; John Wall and Associates

EMPLOYMENT OUTSIDE OF COUNTY

In 2000, based on Census data, 18,319 or 28.0 percent of workers resident in Hall County were employed outside the county. The average driving time to work (for those not working at home) for those resident in Gainesville was 22.3 minutes, and for those in the market area the average was 24.5 minutes. Statewide, the average travel time to work was 28.8 minutes.

MAJOR EMPLOYERS

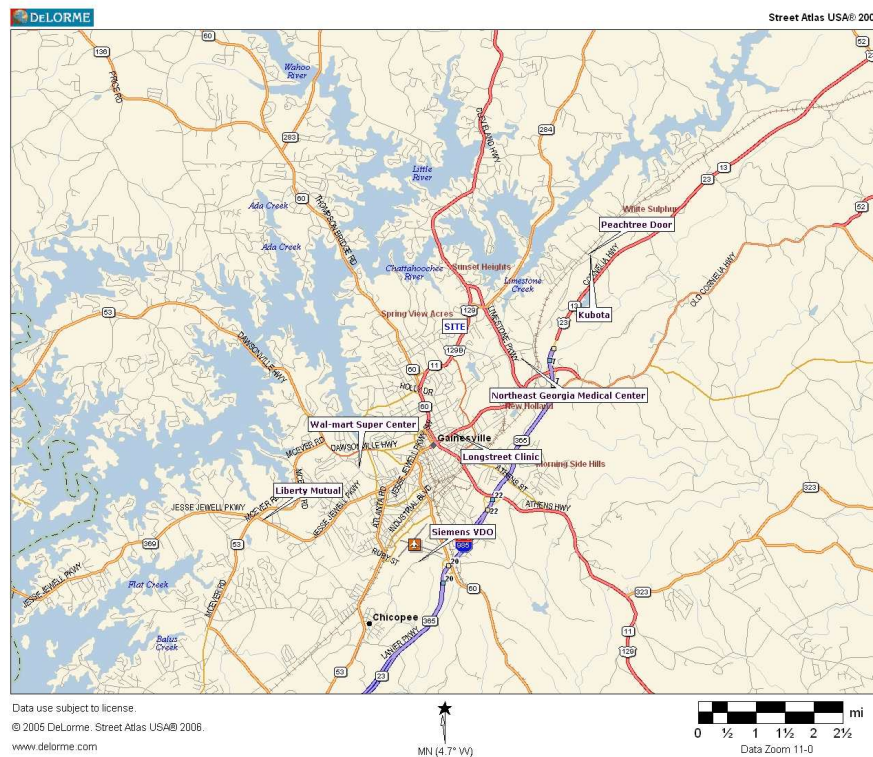
The major employers in the Gainesville area are listed in Table 3, below. From this table it is seen that the largest single employer is the Northeast Georgia Medical Center. The largest manufacturing employers are Fieldale Farms and Kubota.

A map showing the location of many of the area's larger employers is provided, on the following page. Information from the Georgia Department of Labor reveals that there have been several closings and layoffs in the Gainesville area over the last several years. A total of 686 persons were laid off in seven layoffs and 673 persons were laid off as a result of six closings (a total of 1,359 job losses since 2000). The latter included the closing of Alexis Playsafe, Winn Dixie Stores, and Presco Steel.

Table 12 - Major Employers

<u>Firm</u>	<u>Employees</u>
Northeast Georgia Medical Center	4,200
Fieldale Farms Corp.	1,500
Kubota Mfg.	1,500
Peachtree Doors and Windows	750
Wrigley Mfg. Co.	720
Liberty Mutual Insurance	600
Wal-Mart Super Center	500
ZUA Autoparts	430
Siemens VDO	400
Lake Lanier Islands	375
Longstreet Clinic	309
ZF Industries	277
Rockwell Automation	270
Meriel Select	260
Flan Pharmaceuticals	170
Theragenics	167
Kiel Laboratories	84

Source: Greater Hall Chamber of Commerce



Major Employers

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
CARY, NORTH CAROLINA
919.233.0670

LABOR FORCE AND EMPLOYMENT

The makeup and trends of the labor force and employment have a strong influence on the growth and stability of the local housing market in general. In 2006, the most recent year for which annualized data are available, the Hall County labor force comprised an estimated 86,559 persons. Of this total, 83,263 were employed and 3,296 or 3.8 percent were unemployed. Labor force and employment figures show significant growth over the decade, and unemployment.

Since 1997, labor force has grown by an average of 2.4 percent per year, and employment has averaged 2.3 percent per year over that period. Growth has, however, slowed somewhat in recent years.

Table 13 - Hall County Labor Force and Employment

	<u>Labor Force</u>	<u>Employment</u>	<u>Unemployment</u>	
			<u>Total</u>	<u>Rate (%)</u>
1997	68,040	66,036	2,004	2.9
1998	70,453	68,415	2,038	2.9
1999	71,944	70,173	1,771	2.5
2000	73,882	71,738	2,144	2.9
2001	74,787	72,239	2,548	3.4
2002	75,654	72,555	3,099	4.1
2003	79,267	76,126	3,141	4.0
2004	80,385	77,218	3,167	3.9
2005	83,513	79,879	3,634	4.4
2006	86,559	83,263	3,296	3.8

Source: Georgia Department of Labor

Growth in labor force and employment – as experienced in Hall County over the last decade or so – can serve as a foundation for ongoing population and housing growth, which can translate into a need for more housing.

PROJECT SPECIFIC DEMAND ANALYSIS

INCOME RESTRICTIONS

The market for the proposed apartments is derived from two principal sources: the population and household growth market, and from households currently living in the area who would move to the units were they made available.

Income is a key variable in the analysis of affordable housing markets. Of the 142 units proposed, 15 units will be targeted to households with incomes up to 30 percent of the median, 43 units will be targeted to households with incomes up to 50 percent of the median, and 42 units will be targeted to households with incomes up to 60 percent of the median, and therefore qualify the apartments for low income housing tax credit status. In addition, there will be 42, unrestricted, market rate units. The income limits for Hall County are as follows:

Table 14 - Income Limits

	<u>30%</u>	<u>50%</u>	<u>60%</u>
1 person	\$12,480	\$20,800	\$24,960
2 person	\$14,250	\$23,750	\$28,500
3 person	\$16,050	\$26,750	\$32,100
4 person	\$17,820	\$29,700	\$35,640
5 person	\$19,260	\$32,100	\$38,520
6 person	\$20,670	\$34,450	\$41,340

Source: HUD

The maximum rents for the proposed units are based on the above income limits and assume an average 1.5 persons per household and that renters will pay no more than 30 percent of their incomes on housing expenses (rent plus utilities). These figures are as follows:

Table 15 - Maximum Housing Expense

	<u>30%</u>	<u>50%</u>	<u>60%</u>
1 bedroom	\$334	\$557	\$668
2 bedroom	\$401	\$669	\$803
3 bedroom	\$464	\$773	\$927

Source: John Wall and Associates.

The proposed rents and utility allowances at the proposed apartments are set out in Table 16, below. From this it can be seen that housing expenses at the proposed apartments fall at around the effective maximum for units at 30 percent and 50 percent of the median and at around 98 to 100 percent for units at the 60 percent level.

Table 16 - Proposed Rents and Utility Allowances

<u>30 percent</u>	<u>Rent</u>	<u>Utilities</u>	
1 bedroom	\$256	\$77	
2 bedroom	\$301	\$100	
3 bedroom	\$339	\$124	
	<u>Maximum Rent</u>	<u>Proposed Rent</u>	<u>Proportion of Maximum (%)</u>
1 bedroom	\$257	\$256	99.6
2 bedroom	\$301	\$301	99.9
3 bedroom	\$340	\$339	99.9
<u>50 percent</u>	<u>Rent</u>	<u>Utilities</u>	
1 bedroom	\$475	\$77	
2 bedroom	\$565	\$100	
3 bedroom	\$645	\$124	
	<u>Maximum Rent</u>	<u>Proposed Rent</u>	<u>Proportion of Maximum (%)</u>
1 bedroom	\$480	\$475	99.0
2 bedroom	\$569	\$565	99.3
3 bedroom	\$649	\$645	99.5
<u>60 percent</u>	<u>Rent</u>	<u>Utilities</u>	
1 bedroom	\$590	\$77	
2 bedroom	\$700	\$100	
3 bedroom	\$750	\$124	
	<u>Maximum Rent</u>	<u>Proposed Rent</u>	<u>Proportion of Maximum (%)</u>
1 bedroom	\$591	\$590	99.8
2 bedroom	\$703	\$700	99.6
3 bedroom	\$803	\$750	98.4

Source: John Wall and Associates

AFFORDABILITY

There is no official lower income limit for the proposed apartments. However, for the purposes of this report it is assumed that tenants will pay no more than 35 percent of their income on housing costs (rent and utilities). The minimum income needed to afford the proposed units at their proposed rents are set out below. From this table it can be seen that incomes fall at around 26 percent of the area's median for units at 30 percent of the median, around 43 percent of the area's median income for units at 50 percent of the median, around 51 percent for units at 60 percent of the median, and at around 52 percent of the median for the unrestricted, market rate, units.

Table 17 - Minimum Incomes Needed to Afford the Proposed Apartments

<u>30 percent</u>	<u>Income Needed</u>	<u>Income as Proportion of Area Median (%)</u>
1 bedroom	\$11,417	25.6
2 bedroom	\$13,749	25.7
3 bedroom	\$15,874	25.7
<u>50 percent</u>		
1 bedroom	\$18,926	42.5
2 bedroom	\$22,800	42.6
3 bedroom	\$26,366	42.7
<u>60 percent</u>		
1 bedroom	\$22,869	51.3
2 bedroom	\$27,429	51.3
3 bedroom	\$31,337	50.7
<u>Market</u>		
1 bedroom	\$23,040	51.7
2 bedroom	\$27,771	51.9
3 bedroom	\$31,509	51.0

Source: John Wall and Associates

Qualifying income ranges for the proposed tax credit units are a function of the income needed to afford the proposed units and the mandated upper income limits. The latter are a function of household size (where, following DCA guidelines, the maximum is based on a standard of 1.5 persons per bedroom, rounded up to the nearest whole number). Given the nature of the property the upper limit for the proposed market rate units is assumed to be effectively around 80 percent of the median income.

The table below also shows that there is certain amount of overlap between income ranges – this occurs where households qualifying at one income level can afford the rents at another targeted income level. Consequently, demand calculations need to address this potential double-counting (and also take into consideration the gap between the units targeted at 30 percent of the median and the units targeted at higher income levels). The qualifying income ranges are therefore as set out below.

Table 18 - Qualifying Income Ranges

	<u>lower income</u>	<u>30 percent upper income</u>	<u>50 percent lower income</u>	<u>upper income</u>
1 bedroom	\$11,417	\$14,250 ¹	\$18,926	\$23,750 ¹
2 bedroom	\$13,749	\$16,050 ²	\$22,800	\$26,750 ²
3 bedroom	\$15,874	\$19,260 ³	\$26,366	\$32,100 ³

	<u>lower income</u>	<u>60 percent upper income</u>	<u>Market lower income</u>	<u>upper income</u>
1 bedroom	\$22,869	\$28,500 ¹	\$23,040	\$38,000 ¹
2 bedroom	\$27,429	\$32,100 ²	\$27,771	\$42,800 ²
3 bedroom	\$31,337	\$38,520 ³	\$31,509	\$51,360 ³

¹ based on two-person household size

² based on three-person household size

³ based on five-person household size

Source: John Wall and Associates

The income distribution of renter households in the project market area is presented in Table 19, below.

Table 19 - Household Income, Renter Households

<u>Income</u>	<u>Overburdened Renters</u>		<u>All Renters</u>	
	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>
Up to \$10,000	1,600	17.7	1,057	34.5
\$10,000 - \$19,999	1,519	16.8	1,165	38.0
\$20,000 - \$34,999	2,192	24.2	803	26.2
\$35,000 - \$49,999	1,590	17.5	36	1.2
\$50,000 - \$74,999	1,323	14.6	7	0.2
\$75,000 - \$99,999	470	5.2	0	0.0
\$100,000 and over	367	4.1	0	0.0

Source: 2000 Census; John Wall and Associates.

These data for 1999, are taken from the 2000 Census. These data can be projected forward using the most recent HUD adjustment factor. Here, this is 1.128 for Jackson County. From this Table it can be seen that 17.7 percent of the market area renter households have incomes less than \$11,280 and a further 16.8 percent have incomes between \$11,280 and \$22,560. This table also illustrates how rent overburdened households are concentrated in the lower income groups. Around 34 percent of all renters are overburdened – 72.5 percent of which have incomes below \$22,560.

Based on the income ranges set out in Table 18 and the income distribution set out in Table 19, it is found that around 4.2 percent of market area renter households qualify for units at 30 percent of the median, 7.0 percent qualify at 50 percent of the median, 8.3 percent qualify at 60 percent of the median, and 21.8 percent qualify for market rate units.¹

¹ These proportions are based on the average of the range of qualifying income proportions, by number of bedrooms.

NEW HOUSEHOLDS

Based on the projections set out in Table 5, a total of 1,820 new rental units are needed between 2000 and 2009. A total of 598 units will qualify for the proposed development (excluding overlap): 77 qualifying at 30 percent of the median, 127 qualifying at 50 percent of the median, 152 qualifying at 60 percent of the median, and 396 qualifying for market rate units.

EXISTING HOUSEHOLDS

Again, the market for the proposed apartments comprises not only demand from population and household growth, but also from existing renter households who would move to the new apartments were they made available. The extent to which any new development is able to attract a certain share of this market is largely a factor of several interrelated factors. These include the location of the development, the amenities it offers, the quality of design and the effectiveness of the development's marketing and management. That is, the perceived value of the community in terms of price, convenience, and life-style.

Our calculations show that there will be a total of 3,569 renter households in the qualifying income ranges in the project market area (excluding overlap) – 459 renters qualifying at 30 percent of the median, 759 at 50 percent of the median, 906 renters qualifying at 60 percent of the median, and 2,365 qualifying for market rate units. These figures have to be adjusted to reflect the proportion that are likely to move to a new complex. The American Housing Survey for the United States in 2001 showed that around 32.5 percent of all renters moved in the previous 12 month period. Information from the 2000 Census suggests that the corresponding proportion for Georgia was around 36.0 percent. With respect to existing households in the project market area it is found that, based on 2000 Census data, around 73.8 percent of renters at 30 percent, 34.2 percent of renters at 50 percent, 20.8 percent of renters at 60 percent, and 17.3 percent of renters at market rates are over-burdened. Here, these proportions are applied to the number of income eligible existing renter households to estimate how many of those households are likely to consider moving to the proposed apartments.

State Agency market study guidelines allow for the replacement of physically substandard rental units. HUD and USDA market guidelines allowed for the calculation of the replacement of units due to demolition or abandonment or obsolescence. USDA guidelines suggested one percent per year. The HUD publication "Components of Inventory Change: 2001 to 2003" (Published in August, 2005) provides information on housing units lost over the two-year period. For example, the overall average loss for rental units was around 1.60 percent (0.80 percent per year), as that for rental units renting for less than \$600 per month was around 2.01 percent (1.00 percent per year), and that for rental units occupied by households with incomes below \$30,000 per year was 2.09 percent (1.05 per year). A figure of 1.0 percent is considered appropriate and is employed in this report.

Based on the number of rental units in the market area occupied by income-eligible tenants, this translates to an additional 216 units overall (excluding overlap): 11 units at 30 percent of the median, 47 units at 50 percent of the median, 67 units at 60 percent, and 183 at market rates.

Georgia DCA market studies require consideration of potential demand from outside the primary market area, as defined. Potential demand from this source is assumed to amount to 115 percent of that from the primary market area. Thus, the calculations for the proposed development include a further 64 units at 30 percent of the median, 65 units at 50 percent of the median, 61 units at 60 percent of the median, and 148 at market rates.

These calculations are summarized in the following table.

Table 20 - Demand Calculations

	<u>30 percent</u>	<u>50 percent</u>	<u>60 percent</u>	<u>Market</u>	<u>Total¹</u>
(i) New renter households	77	127	152	396	598
(ii) Existing renter households	459	759	906	2,365	3,569
(iii) Existing renter households, likely to move	339	260	188	409	1,011
(iv) Replacement of obsolete rental units	11	47	67	183	216
(v) Adjustment for secondary market area	64	65	61	148	274
Total demand (i) + (iii) + (iv) + (v)	491	499	468	1,137	2,098

¹ excluding overlap

Source: John Wall and Associates

DEMAND

Total demand is therefore seen to amount to 2,098 units (excluding overlap): 491 qualifying at 30 percent of the median, 499 at 50 percent of the median, 468 qualifying at 60 percent of the median, and 1,137 qualifying for market rate units. This total demand has to be segmented to determine demand by number of bedrooms per unit. Based on the distribution of household size in the market area and given data from the American Housing Survey correlating typical household size and number of bedrooms, we have determined that one-bedroom units should account for 23 percent of the total, two-bedroom units should account for 41 percent of the total, and three-bedroom units should account for 29 percent of the total (with four- or more bedroom units accounting for 5 percent).

SUPPLY

These figures are based on a 2000 to 2009 projection period and therefore have been corrected to account for the funding and/or construction of any directly comparable projects in the market area. There has been significant construction of apartments - and tax credit projects in particular - in the Gainesville area since 2000. Our research shows that 1,413 new units have been added since 2000 – 1,051 tax credit units and 362 market rate units. Thus, the net demand is for 532 (one-,two-, and three-bedroom) units (excluding overlap).

In calculating the demand for this project the need, by target income group, was constrained by the fact that the rents are effectively set at the maximum allowable. On the supply side of the equation the vast majority of tax credit units to have been developed in this market since 2000 have been designated solely at 60 percent of the median. Given the rent levels at these projects, and that some tenants may be paying more than 35 percent of their income on rent, then whereas these units are categorized as 60 percent units they will be occupied by households with incomes well below the 60 percent limit. Thus, here, the extended projection period involved, the narrowness of the demand segments, and the wideness of the supply segments results in effective negative demand for the proposed units at 60 percent of the median. Similarly, given the near equivalence of tax credit and market rents, some of the calculated demand for market rate units would be absorbed by tax credit projects. Given the preceding theoretical circumstances, and the practical fact that tax credit properties are experiencing good occupancy levels, suggests that this finding is unrealistic. In effect, the 60 percent demand is understated and the demand for units at the 30 percent level and 50 percent and market rate levels may be somewhat overstated (although, again, the demand numbers are constrained by the fact that the rent are at the maximum). Thus, the marketability of this property is best judged on its overall marketability.

Table 21 - Demand Calculations and Capture Rates

Overall Demand	<u>30 percent</u>	<u>50 percent</u>	<u>60 percent</u>	<u>Market</u>	<u>Total¹</u>
1 bedroom	112	114	107	366	478
2 bedroom	200	203	191	654	854
3 bedroom	143	146	137	470	613
Total	455	462	434	1,491	1,945
Supply					
1 bedroom	0	0	200	100	300
2 bedroom	0	14	496	198	708
3 bedroom	0	40	301	64	405
Total	0	0	0	0	0
Net Demand					
1 bedroom	112	114	-93	266	178
2 bedroom	200	189	-305	456	708
3 bedroom	143	106	-164	406	208
Total	455	408	-563	1,129	532
Units proposed					
1 bedroom	4	11	10	11	36
2 bedroom	7	22	20	21	70
3 bedroom	4	10	12	10	36
Total	15	43	42	42	142
Capture rates					
1 bedroom	3.6%	9.7%	-10.7%	4.1%	20.2%
2 bedroom	3.5%	11.6%	-6.6%	4.6%	47.9%
3 bedroom	2.8%	9.5%	-7.3%	2.5%	17.3%
Total	3.3%	10.5%	-7.5%	3.7%	26.7%

¹ Excluding overlap

Source: John Wall and Associates

CAPTURE RATES

Given the calculated need, the proposed 142-unit development amounts to 26.7 percent of the total net need. The capture rates, by bedroom, are determined to be 20.2 percent for the 36 one-bedroom units, 47.9 percent for the 70 two-bedroom units, and 17.3 percent for the 36 three-bedroom units. These various capture rates suggest that the project is feasible based on DCA criteria, except for the two-bedroom units.

These capture rates are considered high and reflect the size of the project, the narrowness of the market given that rents are at the maximum allowable, and that there has been considerable supply over the extended projection period. In order for the project to be considered more marketable it is recommended that the number of units proposed should be reduced and/or the rents be reduced. Thus, for example, were the rents to be reduced to 95 percent of the maximum, the overall capture rate (for the full 142 units) would be 20.5 percent - with the capture rates for one-, two-, and three-bedroom units being 16.5 percent, 32.2 percent, and 13.9 percent, respectively - which are considered more appropriate.

ABSORPTION RATES

In our opinion, the absolute size of the project, proposed rent levels, the site location, aspects of the methodology used to derive the capture rates, and the capture rates thus obtained, suggest that the project, as proposed, could experience a relatively long absorption period*. A period of around 18 months would not be unreasonable .

* assuming a sustained, achievable, occupancy level of 93 percent.

SUPPLY ANALYSIS (COMPARABLE RENTAL DEVELOPMENTS)

There are several apartment complexes located throughout the Gainesville area. These include market-rate properties, projects financed with low-income tax credits, and projects subsidized through HUD. These various complexes have been identified and surveyed, and where useful information was made available to us this is presented in this section of our report.

As noted, there are several conventionally-financed properties in the Gainesville market. Our survey comprises a total of just over 2,200 units in 12 properties -- built between 1973 and 2004. Occupancy, overall, is good -- with an occupancy rate of around 96.6 percent at present.

Of the survey sample, one-bedroom units represent 38.5 percent of the total, two-bedroom units account for 50.4 percent, and three-bedroom units account for 8.0 percent. Rent levels tend to vary based on age, location, physical condition and amenities offered. One-bedroom units rent from around \$470 to \$694 per month, and average \$596. Two-bedroom units rent for between \$593 and \$865 -- averaging around \$718. Three-bedroom units rent for around \$750 to \$945, and average around \$875, per month. The average rent per square foot ranges from \$0.95 for a one-bedroom unit, to \$0.69 for a two-bedroom unit, to \$0.65 for a three-bedroom unit.

There has been significant development of new tax credit financed properties in Gainesville in recent years. A total of 1,285 new units have been added in seven properties -- developed between 1998 and 2005. Occupancy at these locations is reported to be very good -- with an overall occupancy rate of 97.7 percent.

In the tax credit projects, one-bedroom units represent 15.9 percent of the total, two-bedroom units account for 42.8 percent, and three-bedroom units account for 40.1 percent. One-bedroom units rent from around \$535 to \$575 per month, and average \$549. Two-bedroom units rent for between \$616 and \$660 -- averaging around \$628. Three-bedroom units rent for around \$593 to \$745, and average around \$634, per month. At tax credit properties, the average rent per square foot ranges from \$0.63 for a one-bedroom unit, to \$0.58 for a two-bedroom unit, to \$0.50 for a three-bedroom unit.

Each of the tax credit properties can be considered comparable to the proposed development. Whereas the vast majority of existing tax credit properties have units designated solely for households at 60 percent of the median, Paces Landing is more akin to the proposed development in that it offers a mix of units targeted at 50 and 60 percent of the median, and also some unrestricted units.

Lenox Park is comparable to the proposed development in that it is located on the southern side of Interstate 985, not far from the site of the proposed development, whereas the other tax credit projects are on the northern side.

There are three HUD-subsidized properties for very low income households. These are the Linwood and the Ridgecrest projects. Linwood comprises a total of 100 units of HUD Section 236 housing, with 84 units of Section 8 rental assistance. The project opened in 1974 and currently reports six vacancies and reports an ongoing occupancy level of around 90 to 95 percent. Ridgecrest is 130 unit HUD Section 8 complex, which opened in 1981. The project is reported to be fully occupied, and to remain so on an ongoing basis. Lake Forest is a 118-unit HUD Section 8 complex offering a mix of one-, two-, three-, and four- bedroom units. It opened in 1979. Currently, six units are vacant - with a typical occupancy of around 94 percent.

The proposed development should not have any long-term negative impact on existing tax credit financed developments in the project market area.

The existing developments are summarized as follows:

Complex name	Financing	Year built	Total units	Vacant units	Occupancy (%)
AMLI Park Creek	conventional	1998	200	4	98.0
Brandon Place	conventional	1984	64	0	100.0
Empirian Lanier	conventional	2000	210	15	92.9
Columns at Chicopee	conventional	2004	150	n/a	n/a
Edgewater	conventional	1986	190	n/a	n/a
Glenn Cove	conventional	1973	140	4	97.1
Lake Lanier Club	conventional	1996-2002	657	13	98.0
<i>Lenox Park</i>	<i>LIHTC</i>	2000	292	7	97.6
<i>North Pointe</i>	<i>LIHTC</i>	2000	106	5	95.3
<i>Oconee Springs</i>	<i>LIHTC</i>	1998	88	n/a	n/a
<i>Orchard Brook</i>	<i>LIHTC</i>	2002	115	3	97.4
<i>Paces Landing</i>	<i>LIHTC</i>	2002	140	5	96.4
Pines of Lanier	conventional	1987	157	15	90.4
Pointe Lanier	conventional	1998	100	6	94.0
<i>Retreat at McEver</i>	<i>LIHTC</i>	2003	224	0	100.0
Summit Place	conventional	1992	120	2	98.3
Town Creek	conventional	1989	150	n/a	n/a
<i>Vineyards of McEver</i>	<i>LIHTC</i>	2004	220	7	96.8

tax credit units in italics

Number of Units

Complex name	Total	0 br	1 br	2 br	2 br	2br	3 br	3 br	3 br	3 br	3 br	4 br
			1 ba	1 ba	1.5 ba	2 ba	1 ba	1.5 ba	2 ba	2.5 ba	3 ba	
AMLI Park Creek	200	-	80	-	-	84	-	-	36	-	-	-
Brandon Place	64	12	12	-	-	40	-	-	-	-	-	-
Empirian Lanier	210	14	56	-	-	106	-	-	34	-	-	-
Columns at Chocopee	150	-	40	10	-	72	-	-	20	-	-	-
Edgewater	190	-	60	-	-	118	-	-	12	-	-	-
Glenn Cove	140	12	50	65	-	-	-	-	13	-	-	-
Lake Lanier Club	657	-	n/a	-	-	n/a	-	-	n/a	n/a	-	-
<i>Lenox Park</i>	<i>392</i>	-	<i>76</i>	-	-	<i>76</i>	-	-	<i>140</i>	-	-	-
<i>North Pointe</i>	<i>106</i>	-	-	-	-	<i>76</i>	-	-	<i>30</i>	-	-	-
<i>Oconee Springs</i>	<i>88</i>	-	-	-	-	<i>16</i>	-	-	<i>64</i>	-	-	<i>8</i>
<i>Orchard Brook</i>	<i>115</i>	-	-	-	-	<i>86</i>	-	-	<i>29</i>	-	-	-
<i>Paces Landing</i>	<i>140</i>	-	<i>16</i>	-	-	<i>66</i>	-	-	<i>50</i>	-	-	<i>8</i>
Pines of Lanier	157	7	102	48	-	-	-	-	-	-	-	-
Pointe Lanier	100	-	40	-	-	60	-	-	-	-	-	-
<i>Retreat at McEver</i>	<i>224</i>	-	<i>80</i>	-	-	<i>120</i>	-	-	<i>24</i>	-	-	-
Summit Place	120	-	24	-	-	80	-	-	16	-	-	-
Town Creek	150	-	75	-	-	75	-	-	-	-	-	-
<i>Vineyards of McEver</i>	<i>220</i>	-	<i>32</i>	-	-	<i>110</i>	-	-	<i>78</i>	-	-	-

*tax credit units in
italics*

Rent

Complex name	Total	0 br	1 br	2 br	2 br	2br	3 br	3 br	3 br	3 br	3 br	4 br
			1 ba	1 ba	1.5 ba	2 ba	1 ba	1.5 ba	2 ba	2.5 ba	3 ba	
AMLI Park Creek	200	-	\$694	-	-	\$865	-	-	\$945	-	-	-
Brandon Place	64	\$450	\$550	-	-	\$650	-	-	-	-	-	-
Empirian Lanier	210	\$605	\$685	-	-	\$775	-	-	\$899	-	-	-
Columns at Chicopee	150	-	\$595	\$695	-	\$720	-	-	\$820	-	-	-
Edgewater	190	-	\$625	-	-	\$720	-	-	\$825	-	-	-
Glenn Cove	140	\$480	\$470	\$593	-	-	-	-	\$750	-	-	-
Lake Lanier Club	657	-	\$635	-	-	\$803	-	-	\$891	\$920	-	-
<i>Lenox Park</i>	<i>392</i>	-	<i>\$535</i>	-	-	<i>\$653</i>	-	-	<i>\$740</i>	-	-	-
<i>North Pointe</i>	<i>106</i>	-	-	-	-	<i>\$645</i>	-	-	<i>\$745</i>	-	-	-
<i>Oconee Springs</i>	<i>88</i>	-	-	-	-	<i>n/a</i>	-	-	<i>n/a</i>	-	-	<i>n/a</i>
<i>Orchard Brook</i>	<i>115</i>	-	-	-	-	<i>\$660</i>	-	-	<i>\$740</i>	-	-	-
<i>Paces Landing</i>	<i>140</i>	-	<i>\$575</i>	-	-	<i>\$616</i>	-	-	<i>\$593</i>	-	-	<i>\$771</i>
Pines of Lanier	157	\$390	\$510	\$600	-	-	-	-	-	-	-	-
Pointe Lanier	100	-	\$625	-	-	\$725	-	-	-	-	-	-
<i>Retreat at McEver</i>	<i>224</i>	-	<i>\$550</i>	-	-	<i>\$640</i>	-	-	<i>\$745</i>	-	-	-
Summit Place	120	-	\$630	-	-	\$708	-	-	\$823	-	-	-
Town Creek	150	-	\$605	-	-	\$710	-	-	-	-	-	-
<i>Vineyards of McEver</i>	<i>220</i>	-	<i>\$565</i>	-	-	<i>\$660</i>	-	-	<i>\$740</i>	-	-	-

*tax credit units in
italics*

Square Feet

Complex name	Total	0 br	1 br 1 ba	2 br 1 ba	2 br 1.5 ba	2br 2 ba	3 br 1 ba	3 br 1.5 ba	3 br 2 ba	3 br 2.5 ba	3 br 3 ba	4 br
AMLI Park Creek	200	-	720	-	-	1,091	-	-	1,308	-	-	-
Brandon Place	64	n/a	1,100	-	-	1,150	-	-	-	-	-	-
Empirian Lanier	210	595	857	-	-	1,156	-	-	1,499	-	-	-
Columns at Chicopee	150	-	823	1,118	-	1,227	-	-	1,409	-	-	-
Edgewater	190	-	800	-	-	1,200	-	-	1,300	-	-	-
Glenn Cove	140	416	616	875	-	-	-	-	1,013	-	-	-
Lake Lanier Club	657	-	868	-	-	1,278	-	-	1,490	1,431	-	-
<i>Lenox Park</i>	<i>392</i>	-	<i>869</i>	-	-	<i>1,057</i>	-	-	<i>1,255</i>	-	-	-
<i>North Pointe</i>	<i>106</i>	-	-	-	-	<i>1,010</i>	-	-	<i>1,275</i>	-	-	-
<i>Oconee Springs</i>	<i>88</i>	-	-	-	-	<i>1,013</i>	-	-	<i>1,210</i>	-	-	<i>1,372</i>
<i>Orchard Brook</i>	<i>115</i>	-	-	-	-	<i>1,119</i>	-	-	<i>1,320</i>	-	-	-
<i>Paces Landing</i>	<i>140</i>	-	<i>799</i>	-	-	<i>1,062</i>	-	-	<i>1,267</i>	-	-	<i>1,428</i>
Pines of Lanier	157	n/a	n/a	n/a	-	-	-	-	-	-	-	-
Pointe Lanier	100	-	800	-	-	1,000	-	-	-	-	-	-
<i>Retreat at McEver</i>	<i>224</i>	-	<i>890</i>	-	-	<i>1,150</i>	-	-	<i>1,320</i>	-	-	-
Summit Place	120	-	664	-	-	950	-	-	1,160	-	-	-
Town Creek	150	-	620	-	-	1,005	-	-	-	-	-	-
<i>Vineyards of McEver</i>	<i>220</i>	-	<i>860</i>	-	-	<i>1,119</i>	-	-	<i>1,335</i>	-	-	-

*tax credit units in
italics*

Rent/sq.ft.

Complex name	Total	0 br	1 br 1 ba	2 br 1 ba	2 br 1.5 ba	2br 2 ba	3 br 1 ba	3 br 1.5 ba	3 br 2 ba	3 br 2.5 ba	3 br 3 ba	4 br
AMLI Park Creek	200	-	\$0.96	-	-	\$0.79	-	-	\$0.72	-	-	-
Brandon Place	64	n/a	\$0.50	-	-	\$0.57	-	-	-	-	-	-
Empirian Lanier	210	\$1.02	\$0.80	-	-	\$0.67	-	-	\$0.60	-	-	-
Columns at Chicopee	150	-	\$0.72	\$0.62	-	\$0.59	-	-	\$0.58	-	-	-
Edgewater	190	-	\$0.78	-	-	\$0.60	-	-	\$0.63	-	-	-
Glenn Cove	140	\$1.15	\$0.76	\$0.68	-	-	-	-	\$0.74	-	-	-
Lake Lanier Club	657	-	\$0.73	-	-	\$0.63	-	-	\$0.60	\$0.64	-	-
<i>Lenox Park</i>	<i>392</i>	-	<i>\$0.62</i>	-	-	<i>\$0.62</i>	-	-	<i>\$0.59</i>	-	-	-
<i>North Pointe</i>	<i>106</i>	-	-	-	-	<i>\$0.64</i>	-	-	<i>\$0.58</i>	-	-	-
<i>Oconee Springs</i>	<i>88</i>	-	-	-	-	<i>n/a</i>	-	-	<i>n/a</i>	-	-	<i>n/a</i>
<i>Orchard Brook</i>	<i>115</i>	-	-	-	-	<i>\$0.59</i>	-	-	<i>\$0.56</i>	-	-	-
<i>Paces Landing</i>	<i>140</i>	-	<i>\$0.72</i>	-	-	<i>\$0.58</i>	-	-	<i>\$0.47</i>	-	-	<i>\$0.54</i>
Pines of Lanier	157	n/a	n/a	n/a	-	-	-	-	-	-	-	-
Pointe Lanier	100	-	\$0.78	-	-	\$0.72	-	-	-	-	-	-
<i>Retreat at McEver</i>	<i>224</i>	-	<i>\$0.62</i>	-	-	<i>\$0.56</i>	-	-	<i>\$0.56</i>	-	-	-
Summit Place	120	-	\$0.95	-	-	\$0.75	-	-	\$0.71	-	-	-
Town Creek	150	-	\$0.98	-	-	\$0.71	-	-	-	-	-	-
<i>Vineyards of McEver</i>	<i>220</i>	-	<i>\$0.66</i>	-	-	<i>\$0.59</i>	-	-	<i>\$0.55</i>	-	-	-

*tax credit units in
italics*



Existing rental housing



AMLI at Park Creek

Location: 110 Park Creek Court, Gainesville
Year built: 1997-1998

Total units: 200
Typical occupancy: 96%

	<u>1 br/1 ba</u>	<u>2 br/2 ba</u>	<u>3 br/2 ba</u>
Units:	36	84	36
Unit size (sq. ft.):	635-804	1,050-1,131	1,308
Rent:	\$643-745	\$815-915	\$905-985
Rent/sq. ft.:	\$1.01	\$0.79	\$0.72
Vacant units:	0	0	4

Management: AMLI Residential (Stephanie - 770.287.1414 [on site] 6/21)

Utilities in rent: Water ☐ Sewer ☐ Trash ☒ Heat ☐ Electricity ☐

Amenities: Club House ☒ Fitness center ☒ Pool ☒ Tennis ☒ Playground ☒ Business Center ☐
Security gate ☒ Garages (\$90) ☒ Carport ☐ Laundry ☒

Appliances: Refrigerator ☒ Range/oven ☒ Microwave ☐ Dishwasher ☒ Disposal ☐
Washer/Dryer ☐ Washer/Dryer Hook-up ☒

Unit features: Blinds ☒ Carpet ☒ AC ☒ Fireplaces (\$20) ☒ Patio/balconies ☒

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
CARY, NORTH CAROLINA
919.233.0670



Brandon Place

Location: 1425 Brandon Place, Gainesville
Year built: 1984

Total units: 64
Typical occupancy: N/A

	<u>0 br/1 ba</u>	<u>1 br/1 ba</u>	<u>2 br/2 ba</u>
Units:	12	12	40
Unit size (sq. ft.):	N/A	1,100	1,150
Rent:	\$450	\$550	\$650
Rent/sq. ft.:	N/A	\$0.48	\$0.54
Vacant units:	0	0	0
Management:	Owner Managed (David Pierce - 770.530.2771 [management] 6/19)		
Utilities in rent:	Water <input checked="" type="checkbox"/> Sewer <input checked="" type="checkbox"/> Trash <input checked="" type="checkbox"/> Heat <input type="checkbox"/> Electricity <input type="checkbox"/>		
Amenities:	Club House <input type="checkbox"/> Fitness center <input type="checkbox"/> Pool <input checked="" type="checkbox"/> Tennis <input type="checkbox"/> Playground <input type="checkbox"/> Business Center <input type="checkbox"/> Security gate <input type="checkbox"/> Garages () <input type="checkbox"/> Carport <input type="checkbox"/> Laundry <input type="checkbox"/>		
Appliances:	Refrigerator <input checked="" type="checkbox"/> Range/oven <input checked="" type="checkbox"/> Microwave <input type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Washer/Dryer Hook-up <input checked="" type="checkbox"/>		
Unit features:	Blinds/Drapes <input checked="" type="checkbox"/> Carpet <input checked="" type="checkbox"/> AC <input checked="" type="checkbox"/> Fireplaces () <input type="checkbox"/> Patio/balconies <input type="checkbox"/>		



Empirian Lanier at Carrington Point

Location: 150 Carrington Park Drive, Gainesville
Year built: 2000

Total units: 210
Typical occupancy: 100%

	<u>0 br/1 ba</u>	<u>1 br/1½ ba</u>	<u>1 br/1 ba</u>	<u>2 br/2 ba</u>	<u>2 br/2 ba</u>	<u>3 br/2 ba</u>
Units:	14	40	16	70	36	34
Unit size (sq. ft.):	595	840	874	1,056	1,255	1,499
Rent:	\$605	\$675	\$695	\$750	\$860	\$899
Rent/sq. ft.:	\$1.02	\$0.80	\$0.80	\$0.71	\$0.64	\$0.60
Vacant units:	0	0	0	7	6	2

Management: Empirian Properties (Kevin - 866.302.0318 x 6000 [on site] 6/21)

Utilities in rent: Water ☐ Sewer ☐ Trash ☒ Heat ☐ Electricity ☐

Amenities: Club House ☐ Fitness center ☒ Pool ☒ Tennis ☒ Playground ☐ Business Center ☐
Security gate ☒ Garages (\$100) ☒ Carport ☐ Laundry ☒

Appliances: Refrigerator ☒ Range/oven ☒ Microwave ☐ Dishwasher ☒ Disposal ☐
Washer/Dryer ☐ Washer/Dryer Hook-up ☒

Unit features: Blinds/Drapes ☒ Carpet ☒ AC ☒ Fireplaces (\$10) ☒ Patio/balconies ☒

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
CARY, NORTH CAROLINA
919.233.0670



Columns at Chicopee

Location: 1750 SW Columns Drive, Gainesville
Year built: 2004

Total units: 150
Typical occupancy: N/A

	<u>1 br/1 ba</u>	<u>2 br/1 ba</u>	<u>2 br/2 ba</u>	<u>3 br/2 ba</u>
Units:	40	10	72	20
Unit size (sq. ft.):	808-838	1,118	1,227	1,409
Rent:	\$595	\$695	\$720	\$820
Rent/sq. ft.:	\$0.71	\$0.63	\$0.61	\$0.58
Vacant units:	1	N/A	N/A	0
Management:	ECI Management (Michelle - 770.532.7200 [on site] 6/19)			
Utilities in rent:	Water <input type="checkbox"/> Sewer <input type="checkbox"/> Trash <input checked="" type="checkbox"/> Heat <input type="checkbox"/> Electricity <input type="checkbox"/>			
Amenities:	Club House <input type="checkbox"/> Fitness center <input type="checkbox"/> Pool <input checked="" type="checkbox"/> Tennis <input type="checkbox"/> Playground <input checked="" type="checkbox"/> Business Center <input type="checkbox"/> Security gate <input type="checkbox"/> Garages () <input type="checkbox"/> Carport <input type="checkbox"/> Laundry <input type="checkbox"/>			
Appliances:	Refrigerator <input checked="" type="checkbox"/> Range/oven <input checked="" type="checkbox"/> Microwave <input type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Washer/Dryer Hook-up <input checked="" type="checkbox"/>			
Unit features:	Blinds/Drapes <input checked="" type="checkbox"/> Carpet <input checked="" type="checkbox"/> AC <input checked="" type="checkbox"/> Fireplaces () <input type="checkbox"/> Patio/balconies <input checked="" type="checkbox"/>			

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
CARY, NORTH CAROLINA
919.233.0670



Edgewater

Location: 2419 Thompson Bridge Road, Gainesville
Year built: 1986

Total units: 190
Typical occupancy: 96%+

		<u>1 br/1 ba</u>	<u>2 br/2 ba</u>	<u>3 br/2 ba</u>
Units:	60	118	12	
Unit size (sq. ft.):	800	1,200	1,300	
Rent:	\$625	\$710-729	\$825	
Rent/sq. ft.:	\$0.78	\$0.60	\$0.63	
Vacant units:	0	N/A	0	
Management:	RAM Partners (Jamie - 770.535.008 6/19)			
Utilities in rent:	Water <input type="checkbox"/> Sewer <input type="checkbox"/> Trash <input checked="" type="checkbox"/> Heat <input type="checkbox"/> Electricity <input type="checkbox"/>			
Amenities:	Club House <input checked="" type="checkbox"/> Fitness center <input checked="" type="checkbox"/> Pool <input checked="" type="checkbox"/> Tennis <input checked="" type="checkbox"/> Playground <input type="checkbox"/> Business Center <input type="checkbox"/> Security gate <input type="checkbox"/> Garages () <input type="checkbox"/> Carport <input type="checkbox"/> Laundry <input checked="" type="checkbox"/>			
Appliances:	Refrigerator <input checked="" type="checkbox"/> Range/oven <input checked="" type="checkbox"/> Microwave <input type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Washer/Dryer Hook-up <input checked="" type="checkbox"/>			
Unit features:	Blinds/Drapes <input checked="" type="checkbox"/> Carpet <input checked="" type="checkbox"/> AC <input checked="" type="checkbox"/> Fireplaces () <input checked="" type="checkbox"/> Patio/balconies <input checked="" type="checkbox"/>			



Glenn Cove

Location: 1150 Norton Drive NE, Gainesville
Year built: 1973

Total units: 140
Typical occupancy: 95%

	<u>0 br/1 ba</u>	<u>1 br/1 ba</u>	<u>2 br/1 ba</u>	<u>3 br/2 ba</u>
Units:	12	50	65	13
Unit size (sq. ft.):	416	616	790-960	1,013
Rent:	\$480*	\$470	\$535-650	\$750
Rent/sq. ft.:	N/A	\$0.76	\$0.68	\$0.74
Vacant units:	1	1	2	0
Management:	Carter Haston Management (Susanna - 770.536.0508 [on site] 6/8)			
Utilities in rent:	Water <input checked="" type="checkbox"/> Sewer <input checked="" type="checkbox"/> Trash <input checked="" type="checkbox"/> Heat <input type="checkbox"/> Electricity <input type="checkbox"/>			
Amenities:	Club House <input type="checkbox"/> Fitness center <input type="checkbox"/> Pool <input checked="" type="checkbox"/> Tennis <input checked="" type="checkbox"/> Playground <input checked="" type="checkbox"/> Business Center <input type="checkbox"/> Security gate <input type="checkbox"/> Garages () <input type="checkbox"/> Carport <input type="checkbox"/> Laundry <input checked="" type="checkbox"/>			
Appliances:	Refrigerator <input checked="" type="checkbox"/> Range/oven <input checked="" type="checkbox"/> Microwave <input type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Washer/Dryer Hook-up <input checked="" type="checkbox"/>			
Unit features:	Blinds/Drapes <input checked="" type="checkbox"/> Carpet <input checked="" type="checkbox"/> AC <input checked="" type="checkbox"/> Fireplaces () <input type="checkbox"/> Patio/balconies <input checked="" type="checkbox"/>			

* Includes electricity

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
CARY, NORTH CAROLINA
919.233.0670



Lake Forest

Location: 1360 Otila Drive, Gainesville

Financing: HUD § 8

Year built: 1979

Total units: 118

Rental assistance

Typical occupancy: 94%

	<u>1 br/1 ba</u>	<u>2 br/1 ba</u>	<u>3 br/2 ba</u>	<u>4 br/2 ba</u>
Units:	46	36	24	12
Unit size (sq. ft.):	N/A	N/A	N/A	N/A
Contract rent:	\$644	\$696	\$769	\$841
Vacant units: 6 overall				

Management: HJ Russell Management (Renee - 770.536.1555 [on site] 6/19)

Utilities in rent: Water ☒ Sewer ☒ Trash ☒ Heat ☐ Electricity ☐

Amenities: Club House ☐ Fitness center ☐ Pool ☐ Tennis ☐ Playground ☒ Business Center ☐
Security gate ☐ Garages () ☐ Carport ☐ Laundry ☒

Appliances: Refrigerator ☒ Range/oven ☒ Microwave ☐ Dishwasher (some) ☒ Disposal ☐
Washer/Dryer ☐ Washer/Dryer Hook-up (some) ☒

Unit features: Blinds/Drapes ☒ Carpet ☒ Wood floor ☒ AC ☒ Fireplaces (\$) ☐ Patio/balconies ☐



Lake Lanier Club

Location: 1701 Dawsonville Highway, Gainesville
 Year built: 1996-1998 / 2001-2002

Total units: 657
 Typical occupancy: 98-99%

	<u>1 br/1 ba</u>	<u>1 br/1 ba</u>	<u>2 br/2 ba</u>	<u>2 br/2 ba</u>	<u>2 br/2 ba</u>	<u>3 br/2 ba</u>
Units:	N/A	N/A	N/A	N/A	N/A	N/A
Unit size (sq. ft.):	750	985	1,192	1,252	1,363	1,417
Rent:	\$585-615	\$685	\$745	\$825-860	\$816-826	\$815-860
Rent/sq. ft.:	\$0.80	\$0.70	\$0.63	\$0.67	\$0.60	\$0.59
Vacant units:	2	2	0	2	2	5

	<u>3 br/2½ ba</u>	<u>3 br/2 ba</u>
Units:	N/A	N/A
Unit size (sq. ft.):	1,431	1,562
Rent:	\$920	\$966
Rent/sq. ft.:	\$0.64	\$0.62
Vacant units:	0	0

Management: Mid American Apartment Communities (Jessica - 770.536.4688 [on site] 6/19)

Utilities in rent: Water ☐ Sewer ☐ Trash ☐ Heat ☐ Electricity ☐

Amenities: Club House ☒ Fitness center ☒ Pool ☒ Tennis ☒ Playground ☒ Business Center ☒
 Security gate ☒ Garages (\$125) ☒ Carport ☐ Laundry ☒

Appliances: Refrigerator ☒ Range/oven ☒ Microwave ☐ Dishwasher ☒ Disposal ☐
 Washer/Dryer ☐ Washer/Dryer Hook-up ☒

Unit features: Blinds/Drapes ☒ Carpet ☒ AC ☒ Fireplaces (\$) ☒ Patio/balconies ☒

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
 CARY, NORTH CAROLINA
 919.233.0670



Lenox Park

Location: 1993 Lenox Drive, Gainesville
Year built: 2000

Total units: 292
Typical occupancy: 93-95% (waiting list)

	<u>1 br/1 ba</u>	<u>2 br/2 ba</u>	<u>3 br/2 ba</u>
Units:	76	76	140
Unit size (sq. ft.):	869	1,057	1,255
Rent:	\$520-550*	\$620-685*	\$700-780*
Rent/sq. ft.:	\$0.62*	\$0.62*	\$0.59*
Vacant units:	1	0	6

Management: Signature Management (Clara - 770.287.1972 6/21)

Utilities in rent: Water ☐ Sewer ☐ Trash ☒ Heat ☐ Electricity ☐

Amenities: Club House ☒ Fitness center ☐ Pool ☒ Tennis ☐ Playground ☒ Business Center ☐
Security gate ☐ Garages (\$) ☐ Carport ☐ Laundry ☒

Appliances: Refrigerator ☒ Range/oven ☒ Microwave ☐ Dishwasher ☒ Disposal ☐
Washer/Dryer ☐ Washer/Dryer Hook-up ☒

Unit features: Blinds ☒ Carpet ☒ AC ☒ Fireplaces (\$) ☐ Patio/balconies ☒

* Tax credit

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
CARY, NORTH CAROLINA
919.233.0670



Linwood

Location: 392 Linwood Drive, NE, Gainesville

Financing: HUD § 236 / § 8

Year built: 1974

Total units: 100

Rental assistance: 84

Typical occupancy: 90-95%

	<u>1 br/1 ba</u>	<u>2 br/1 ba</u>
Units:	30	70
Unit size (sq. ft.):	N/A	N/A
Contract rent:	\$482	\$506
Basic rent:	\$424	\$445
Market rent:	\$475	\$498
Vacant units: 6, overall		
Management:	HJ Russell Company (Jennifer - 404.330.1000 [management] 6/19)	
Utilities in rent:	Water <input checked="" type="checkbox"/> Sewer <input type="checkbox"/> Trash <input checked="" type="checkbox"/> Heat <input type="checkbox"/> Electricity <input type="checkbox"/>	
Amenities:	Club House <input type="checkbox"/> Fitness center <input type="checkbox"/> Pool <input type="checkbox"/> Tennis <input type="checkbox"/> Playground <input type="checkbox"/> Business Center <input type="checkbox"/> Security gate <input type="checkbox"/> Garages () <input type="checkbox"/> Carport <input type="checkbox"/> Laundry <input checked="" type="checkbox"/>	
Appliances:	Refrigerator <input checked="" type="checkbox"/> Range/oven <input checked="" type="checkbox"/> Microwave (some) <input checked="" type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Washer/Dryer Hook-up <input type="checkbox"/>	
Unit features:	Blinds/Drapes <input checked="" type="checkbox"/> Carpet <input checked="" type="checkbox"/> AC <input checked="" type="checkbox"/> Fireplaces () <input type="checkbox"/> Patio/balconies <input type="checkbox"/>	

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
 CARY, NORTH CAROLINA
 919.233.0670



North Pointe

Location: 1847 Thompson Bridge Road, Gainesville
 Year built: 2000

Total units: 106
 Typical occupancy: 95%

	<u>2 br/2 ba</u>	<u>3 br/2 ba</u>
Units:	76	30
Unit size (sq. ft.):	1,010	1,275
Rent:	\$645*	\$745*
Rent/sq. ft.:	\$0.64*	\$0.58*
Vacant units:	3	2
Management:	Gate Management (770.533.9220 [on site] 6/21)	
Utilities in rent:	Water <input checked="" type="checkbox"/> Sewer <input type="checkbox"/> Trash <input checked="" type="checkbox"/> Heat <input type="checkbox"/> Electricity <input type="checkbox"/>	
Amenities:	Club House <input checked="" type="checkbox"/> Fitness center <input type="checkbox"/> Pool <input checked="" type="checkbox"/> Tennis <input type="checkbox"/> Playground <input type="checkbox"/> Business Center <input type="checkbox"/> Security gate <input checked="" type="checkbox"/> Garages () <input type="checkbox"/> Carport <input type="checkbox"/> Laundry <input checked="" type="checkbox"/>	
Appliances:	Refrigerator <input checked="" type="checkbox"/> Range/oven <input checked="" type="checkbox"/> Microwave <input type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Washer/Dryer Hook-up <input checked="" type="checkbox"/>	
Unit features:	Blinds/Drapes <input checked="" type="checkbox"/> Carpet <input checked="" type="checkbox"/> AC <input checked="" type="checkbox"/> Fireplaces (\$) <input type="checkbox"/> Patio/balconies <input checked="" type="checkbox"/>	

* tax credit

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
 CARY, NORTH CAROLINA
 919.233.0670



Oconee Springs

Location: 2351 Spring Haven Drive, Gainesville
Year built: 1998

Total units: 88
Typical occupancy: n/a

	<u>2 br/2 ba</u>	<u>3 br/2 ba</u>	<u>4 br/2 ba</u>
Units:	16	64	8
Unit size (sq. ft.):	1,013	1,210	1,372
Rent:	\$n/a*	\$n/a*	\$n/a*
Rent/sq. ft.:	\$n/a*	n/a*	n/a*
Vacant units:	n/a	n/a	n/a
Management:	(770.297.7779 [management])		
Utilities in rent:	Water <input type="checkbox"/> Sewer <input type="checkbox"/> Trash <input checked="" type="checkbox"/> Heat <input type="checkbox"/> Electricity <input type="checkbox"/>		
Amenities:	Club House <input checked="" type="checkbox"/> Fitness center <input type="checkbox"/> Pool <input type="checkbox"/> Tennis <input type="checkbox"/> Playground <input type="checkbox"/> Business Center <input type="checkbox"/> Security gate <input type="checkbox"/> Garages () <input type="checkbox"/> Carport <input type="checkbox"/> Laundry <input checked="" type="checkbox"/>		
Appliances:	Refrigerator <input checked="" type="checkbox"/> Range/oven <input checked="" type="checkbox"/> Microwave <input type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Washer/Dryer Hook-up <input checked="" type="checkbox"/>		
Unit features:	Blinds/Drapes <input checked="" type="checkbox"/> Carpet <input checked="" type="checkbox"/> AC <input checked="" type="checkbox"/> Fireplaces () <input type="checkbox"/> Patio/balconies <input checked="" type="checkbox"/>		

* Tax credit

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
CARY, NORTH CAROLINA
919.233.0670



Orchard Brook

Location: 150 Orchard Brook Drive, Gainesville
Year built: 2002

Total units: 115
Typical occupancy: 95%

	<u>2 br/2 ba</u>	<u>3 br/2 ba</u>
Units:	86	29
Unit size (sq. ft.):	1,119	1,320
Rent:	\$660*	\$740*
Rent/sq. ft.:	\$0.59*	\$0.56*
Vacant units:	0	3
Management:	NorSouth Management (Anna - 770.532.7153 [on site] 6/19)	
Utilities in rent:	Water <input type="checkbox"/> Sewer <input type="checkbox"/> Trash <input checked="" type="checkbox"/> Heat <input type="checkbox"/> Electricity <input type="checkbox"/>	
Amenities:	Club House <input checked="" type="checkbox"/> Fitness center <input type="checkbox"/> Pool <input type="checkbox"/> Tennis <input type="checkbox"/> Playground <input type="checkbox"/> Business Center <input type="checkbox"/> Security gate <input type="checkbox"/> Garages () <input type="checkbox"/> Carport <input type="checkbox"/> Laundry <input type="checkbox"/>	
Appliances:	Refrigerator <input checked="" type="checkbox"/> Range/oven <input checked="" type="checkbox"/> Microwave <input type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Washer/Dryer Hook-up <input type="checkbox"/>	
Unit features:	Blinds/Drapes <input type="checkbox"/> Carpet <input type="checkbox"/> AC <input type="checkbox"/> Fireplaces () <input type="checkbox"/> Patio/balconies <input type="checkbox"/>	

* Tax credit

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
CARY, NORTH CAROLINA
919.233.0670



Paces Landing

Location: 100 Paces Court, Gainesville
Year built: 2002

Total units: 140
Typical occupancy: 98%

	<u>1 br/1 ba</u>	<u>2 br/2 ba</u>	<u>3 br/2 ba</u>	<u>4 br/2 ba</u>
Units:	16	66	50	8
Unit size (sq. ft.):	799	1,062	1,267	1,428
Rent:	\$550-600*	\$531-700*	\$586-800*	\$642-900*
Rent/sq. ft.:	\$0.72*	\$0.58*	\$0.55*	\$0.54*
Vacant units:	0	2	2	1
Management:	Lane Management (Christina - 770.535.1565 [on site] 6/21)			
Utilities in rent:	Water <input type="checkbox"/> Sewer <input type="checkbox"/> Trash <input checked="" type="checkbox"/> Heat <input type="checkbox"/> Electricity <input type="checkbox"/>			
Amenities:	Club House <input checked="" type="checkbox"/> Fitness center <input checked="" type="checkbox"/> Pool <input checked="" type="checkbox"/> Tennis <input type="checkbox"/> Playground <input checked="" type="checkbox"/> Business Center <input type="checkbox"/> Security gate <input type="checkbox"/> Garages () <input type="checkbox"/> Carport <input type="checkbox"/> Laundry <input checked="" type="checkbox"/>			
Appliances:	Refrigerator <input checked="" type="checkbox"/> Range/oven <input checked="" type="checkbox"/> Microwave <input type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Washer/Dryer Hook-up (some) <input checked="" type="checkbox"/>			
Unit features:	Blinds/Drapes <input checked="" type="checkbox"/> Carpet <input checked="" type="checkbox"/> AC <input checked="" type="checkbox"/> Fireplaces (\$) <input type="checkbox"/> Patio/balconies <input type="checkbox"/>			

* Tax credit

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
CARY, NORTH CAROLINA
919.233.0670



Pines of Lanier

Location: 2354 Pine Cove Circle, SW, Gainesville
 Year built: late 1980's

Total units: 157
 Typical occupancy: 85%

	<u>0 br/1 ba</u>	<u>1 br/1 ba</u>	<u>2 br/1 ba</u>
Units:	7	102	48
Unit size (sq. ft.):	N/A	N/A	N/A
Rent:	\$390	\$500-520	\$600
Rent/sq. ft.:	N/A	N/A	N/A
Vacant units:	0	14	1

Management: Owner Managed (Dinette - 770.535.1309 [on site] 6/19)

Utilities in rent: Water ☐ Sewer ☐ Trash ☒ Heat ☐ Electricity ☐

Amenities: Club House ☐ Fitness center ☐ Pool ☒ Tennis ☐ Playground ☐ Business Center ☐
 Security gate ☐ Garages (\$) ☐ Carport ☐ Laundry ☒

Appliances: Refrigerator ☒ Range/oven ☒ Microwave ☐ Dishwasher ☒ Disposal ☐
 Washer/Dryer ☐ Washer/Dryer Hook-up ☐

Unit features: Blinds/Drapes ☒ Carpet ☒ AC ☒ Fireplaces (\$) ☐ Patio/balconies (some) ☒

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
 CARY, NORTH CAROLINA
 919.233.0670



Pointe Lanier

Location: 2460 Spring Road, Gainesville
Year built: 1998

Total units: 100
Typical occupancy: 97%

	<u>1 br/1 ba</u>	<u>2 br/2 ba</u>
Units:	40	60
Unit size (sq. ft.):	800	1,000
Rent:	\$610-640	\$710-740
Rent/sq. ft.:	\$0.78	\$0.73
Vacant units:	4	2
Management:	RAM Partners (Marty - 770.535.1707 [on site] 6/19)	
Utilities in rent:	Water <input checked="" type="checkbox"/> Sewer <input checked="" type="checkbox"/> Trash <input checked="" type="checkbox"/> Heat <input type="checkbox"/> Electricity <input type="checkbox"/>	
Amenities:	Club House <input type="checkbox"/> Fitness center <input type="checkbox"/> Pool <input checked="" type="checkbox"/> Tennis <input type="checkbox"/> Playground <input checked="" type="checkbox"/> Business Center <input type="checkbox"/> Security gate <input checked="" type="checkbox"/> Garages (\$) <input type="checkbox"/> Carport <input type="checkbox"/> Laundry <input checked="" type="checkbox"/>	
Appliances:	Refrigerator <input checked="" type="checkbox"/> Range/oven <input checked="" type="checkbox"/> Microwave <input type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Washer/Dryer Hook-up <input checked="" type="checkbox"/>	
Unit features:	Blinds <input checked="" type="checkbox"/> Carpet <input checked="" type="checkbox"/> AC <input checked="" type="checkbox"/> Fireplaces (\$) <input checked="" type="checkbox"/> Patio/balconies <input checked="" type="checkbox"/>	



Retreat at McEver

Location: 1050 Eagle Eye Road, Gainesville
Year built: 2003

Total units: 224
Typical occupancy: 98-100%

		<u>1 br/1 ba</u>	<u>2 br/2 ba</u>	<u>2 br/2 ba</u>	<u>3 br/2 ba</u>
Units:	80	88	32	24	
Unit size (sq. ft.):	890	1,125	1,175	1,320	
Rent:	\$550*	\$640*	\$640*	\$745*	
Rent/sq. ft.:	\$0.62*	\$0.57*	\$0.55*	\$0.56*	
Vacant units:	0	0	0	0	
Management:	Community Management Services (Osiris - 770.531.0065 [on site] 6/19)				
Utilities in rent:	Water <input type="checkbox"/> Sewer <input type="checkbox"/> Trash <input checked="" type="checkbox"/> Heat <input type="checkbox"/> Electricity <input type="checkbox"/>				
Amenities:	Club House <input type="checkbox"/> Fitness center <input checked="" type="checkbox"/> Pool <input checked="" type="checkbox"/> Tennis <input type="checkbox"/> Playground <input checked="" type="checkbox"/> Business Center <input type="checkbox"/> Security gate <input type="checkbox"/> Garages () <input type="checkbox"/> Carport <input type="checkbox"/> Laundry <input checked="" type="checkbox"/>				
Appliances:	Refrigerator <input checked="" type="checkbox"/> Range/oven <input checked="" type="checkbox"/> Microwave <input checked="" type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Washer/Dryer Hook-up <input checked="" type="checkbox"/>				
Unit features:	Blinds/Drapes <input checked="" type="checkbox"/> Carpet <input checked="" type="checkbox"/> AC <input checked="" type="checkbox"/> Fireplaces () <input type="checkbox"/> Patio/balconies <input checked="" type="checkbox"/>				

* Tax credit

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
CARY, NORTH CAROLINA
919.233.0670



Ridgecrest

Location: 1640 Roper Hill Road, Gainesville

Financing: HUD § 8

Year built: 1981

Total units: 130

Rental assistance

Typical occupancy: 100% (waiting list)

	<u>2 br/1 ba</u>	<u>3 br/1 ba</u>
Units:	106	24
Unit size (sq. ft.):	872	1,082
Contract rent:	\$557	\$616
Vacant units:	0	0
Management:	Winn Residential (Wendy - 770.536.7749 [on site] 6/7)	
Utilities in rent:	Water <input checked="" type="checkbox"/> Sewer <input checked="" type="checkbox"/> Trash <input checked="" type="checkbox"/> Heat <input type="checkbox"/> Electricity <input type="checkbox"/>	
Amenities:	Club House <input type="checkbox"/> Fitness center <input type="checkbox"/> Pool <input type="checkbox"/> Tennis <input type="checkbox"/> Playground <input type="checkbox"/> Business Center <input type="checkbox"/> Security gate <input type="checkbox"/> Garages () <input type="checkbox"/> Carport <input type="checkbox"/> Laundry <input checked="" type="checkbox"/>	
Appliances:	Refrigerator <input checked="" type="checkbox"/> Range/oven <input checked="" type="checkbox"/> Microwave <input type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Washer/Dryer Hook-up <input checked="" type="checkbox"/>	
Unit features:	Blinds/Drapes <input type="checkbox"/> Carpet <input checked="" type="checkbox"/> AC <input checked="" type="checkbox"/> Fireplaces (\$) <input type="checkbox"/> Patio/balconies <input type="checkbox"/>	



Summit Place

Location: Windward Lane, Gainesville
Year built: 1992

Total units: 120
Typical occupancy: 100%

	<u>1 br/1 ba</u>	<u>2 br/2 ba</u>	<u>3 br/2 ba</u>
Units:	24	80	16
Unit size (sq. ft.):	664	900-1,000	1,110-1,210
Rent:	\$615-645	\$690-725	\$815-830
Rent/sq. ft.:	\$0.95	\$0.75	\$0.71
Vacant units:	1	1	0

Management: Total Services Group (Tiffany - 770.503.0031 [on site] 6/19)

Utilities in rent: Water ☒ Sewer ☒ Trash ☒ Heat ☐ Electricity ☐

Amenities: Club House ☒ Fitness center ☒ Pool ☒ Tennis ☒ Playground ☐ Business Center ☐
Security gate ☐ Garages () ☐ Carport ☐ Laundry ☒

Appliances: Refrigerator ☒ Range/oven ☒ Microwave ☐ Dishwasher ☒ Disposal ☐
Washer/Dryer ☐ Washer/Dryer Hook-up ☒

Unit features: Blinds/Drapes ☒ Carpet ☒ AC ☒ Fireplaces () ☐ Patio/balconies ☒

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
CARY, NORTH CAROLINA
919.233.0670



Town Creek

Location: 700 Washington Street, NW, Gainesville
 Year built: 1989

Total units: 150
 Typical occupancy: 95%+

	<u>1 br/1 ba</u>	<u>2 br/2 ba</u>
Units:	75	75
Unit size (sq. ft.):	620	1,005
Rent:	\$590-620	\$690-730
Rent/sq. ft.:	\$0.98	\$0.71
Vacant units:	N/A	N/A
Management:	Prominent Realty Group (Melissa - 770.534.5556 [on site] 6/19)	
Utilities in rent:	Water <input type="checkbox"/> Sewer <input checked="" type="checkbox"/> Trash <input checked="" type="checkbox"/> Heat <input type="checkbox"/> Electricity <input type="checkbox"/>	
Amenities:	Club House <input checked="" type="checkbox"/> Fitness center <input checked="" type="checkbox"/> Pool <input checked="" type="checkbox"/> Tennis <input checked="" type="checkbox"/> Playground <input type="checkbox"/> Business Center <input type="checkbox"/> Security gate <input type="checkbox"/> Garages () <input type="checkbox"/> Carport <input type="checkbox"/> Laundry <input checked="" type="checkbox"/>	
Appliances:	Refrigerator <input checked="" type="checkbox"/> Range/oven <input checked="" type="checkbox"/> Microwave <input type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Washer/Dryer Hook-up <input checked="" type="checkbox"/>	
Unit features:	Blinds/Drapes <input checked="" type="checkbox"/> Carpet <input checked="" type="checkbox"/> AC <input checked="" type="checkbox"/> Fireplaces (\$) <input checked="" type="checkbox"/> Patio/balconies <input checked="" type="checkbox"/>	



Vineyards of McEver

Location: 1245 McEver Road, SW, Gainesville
 Year built: 2004

Total units: 220
 Typical occupancy: 92%

	<u>1 br/1 ba</u>	<u>2 br/2 ba</u>	<u>3 br/2 ba</u>
Units:	32	110	78
Unit size (sq. ft.):	860	1,119	1,335
Rent:	\$565*	\$660*	\$740
Rent/sq. ft.:	\$0.66*	\$0.59*	\$0.55*
Vacant units:	2	0	5

Management: NorSouth Management (Tony - 770.287.8292 6/19)

Utilities in rent: Water ☐ Sewer ☐ Trash ☒ Heat ☐ Electricity ☐

Amenities: Club House ☒ Fitness center ☒ Pool ☒ Tennis ☒ Playground ☒ Business Center ☒
 Security gate ☒ Garages () ☐ Carport ☐ Laundry ☒

Appliances: Refrigerator ☒ Range/oven ☒ Microwave ☐ Dishwasher ☒ Disposal ☐
 Washer/Dryer ☐ Washer/Dryer Hook-up ☒

Unit features: Blinds/Drapes ☒ Carpet ☒ AC ☒ Fireplaces (\$) ☒ Patio/balconies ☒

* tax credit

JOHN WALL AND ASSOCIATES
an independent licensee of JWA, Inc.
 CARY, NORTH CAROLINA
 919.233.0670

INTERVIEWS

As part of the research for this market study, interviews were held with property managers, local government officials, and others with particular knowledge of the local housing market. Property managers of existing complexes and/or other representatives of management companies were a major source of information.

As noted, property managers are a major source of information for a project such as that proposed (their contact details are provided as part of the rental survey set out in the previous pages). The various managers of tax credit properties that we spoke with noted that demand for tax credit is good. The manager at the Vineyards of McEver noted, for example, that a project on the eastern side of town would be a good idea. The manager at Paces Landing noted that what few vacancies they have (five units out of the 140 units at that site) are in the market rate units, and that the tax credit units are more popular. The manager at Lenox Park noted that the few vacancies they experienced are as a consequence of tenants buying homes.

HUD Section 8 certificates for Hall County are administered by the Northeast regional office of the Georgia DCA in Athens. Sharon, at that office (706.369.5637) notes that all certificates are being used, and that the waiting list is closed. Currently, any certificates that come available are allocated to persons who applied in 2001.

CONCLUSIONS AND RECOMMENDATIONS

It is our recommendation that -- on consideration of the capture rates, the size of the project, the narrowness of the market given that rents are at the maximum allowable, and that there has been considerable supply over the extended projection period -- in order for the project to be considered more marketable it is recommended that the number of units proposed should be reduced and/or the rents be reduced. Thus, for example, were the rents to be reduced to 95 percent of the maximum, the overall capture rate (for the full 142 units) would be 23.9 percent - with the capture rates for one-, two-, and three-bedroom units being 16.5 percent, 32.2 percent, and 22.6 percent, respectively - which are considered more appropriate.

Information provided by DCA included a full market study prepared for this project. This report showed a good demand for the proposed development which was a function of the fact that it was based on a 2006 to 2008 projection period which therefore did not factor-in the large supply of competing projects that were introduced to this market in the first half of the decade.

ANALYST QUALIFICATIONS

John Wall and Associates is a planning and economics consulting firm which provides real estate market analysis. The firm is an independent licensee of JWA, Incorporated. John Wall and Associates was established in Cary, North Carolina in June 1990. The firm has another office, located in Anderson, South Carolina.

The President of the Cary firm is T. Ronald Brown. He has 25 years experience in the provision of real estate market studies. Prior to establishing the Cary office of John Wall and Associates, Mr. Brown was Managing Associate of Stephens Associates in Raleigh for five years.

Mr. Brown holds an Honours Master of Arts degree in Geographical Studies from the University of St. Andrews in St. Andrews, Scotland.

Since June, 1990 the firm has produced more than 1,500 market studies, in more than 20 states. The firm has primary experience in market analysis for residential projects including both single-family homes and multi-family units (for sale and for rent). A significant proportion of the firm's business focuses on apartment market studies—for family renters and for elderly persons. These reports include conventionally financed projects (including HUD 221 (d) (4) projects), affordable housing (including tax credit financed projects) and subsidized housing.

Clients include for-profit developers, non-profit developers and community development corporations, state housing finance agencies, syndicators, and municipalities.

SIGNED STATEMENT

I affirm that I have made a physical inspection of the market area and site and that information has been used in the full study of the need and demand for new rental units. To the best of my knowledge, the market appears to support the demand shown in the study. I understand that any misrepresentation of this statement may result in denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent upon the project being funded.



Market Analyst

Date: June 28, 2007

GLOSSARY

The following presents the definitions of various terms typically found in real estate market studies. This information is drawn from various sources including HUD, the Census Bureau, and the Urban Land Institute.

Absorption rate - the amount of real estate (for example, apartment units) that will be leased (or sold) in a given period of time.

Affordable housing - housing that costs an owner or renter no more than 30 percent of his or her income.

Amenity - non-monetary tangible or intangible benefit offered to a leasee—typically recreational facilities or planned activities.

Assisted housing - housing where the monthly costs to the tenants are subsidized by federal or other programs.

Attached housing - two or more dwelling units connected with party walls (e.g. townhouses or flats).

Average stabilized occupancy - typical occupancy level after the initial rent-up period.

Based-on-income (BOI) - approach to determining housing costs in subsidized housing programs.

Below Market Interest Rate program (BMIR) - program targeted to lower income renters by limiting rents based on HUD income limits. Here, rent is not supplemented directly to a complex, but developers are eligible for below market interest rates on their mortgage loan.

Capture rate - proportion/percentage of total demand within a targeted market segment that a project can expect to attract.

Census tract - a small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tract boundaries normally follow visible features, but may follow governmental unit boundaries and other non-visible features in some instances; they always nest within counties. They are designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time of establishment, census tracts average about 4,000 inhabitants.

Central Business District (CBD) - the center of commercial activity within a town or city; usually the largest and oldest concentration of such activity.

Community Development Corporation (CDC) - entrepreneurial institution combining public and private resources to aid in the development of socioeconomically disadvantaged areas.

Comparable or comparable property - another property to which a subject property can be compared to reach an estimate of the subject property's market value or market rent.

Concession - discount given to a prospective tenant to induce him or her to sign a lease—typically in the form of free rent.

Condominium - a form of joint ownership and control of property in which specified volumes of space (for example, apartments) are owned individually while the common elements of the property (for example, outside walls) are owned jointly.

Detached housing - a freestanding dwelling unit, typically single-family, situated on its own lot.

Employment trends - changes in the number of persons in employment for a particular area over a specific period of time.

Extremely low income - household income below 30 percent of the local area median, as defined by HUD.

Fair Market Rents (FMR) - HUD's estimate of market rent for an apartment in the conventional marketplace.

Garden apartments - two- or three-story multifamily housing development that features low density, ample open-space around buildings, and on-site parking.

Group quarters (GQ) - the Census Bureau classifies all people not living in households as living in group quarters. There are two types of group quarters: institutional (for example, correctional facilities, nursing homes, and mental hospitals) and non-institutional (for example, college dormitories, military barracks, group homes, missions, and shelters).

High-rise - a tall building, usually having more than ten stories in apartment buildings.

Household - a household includes all the people who occupy a housing unit as their usual place of residence.

Household trends - changes in the number of households for a particular area over a specific period of time—which is a function of new household formations (e.g. at marriage or separation), and decreasing average household size.

Housing Finance Agency (HFA) - state agency responsible for financing housing and administering assisted housing programs.

HUD Section 8 program - program administered by HUD and targeted to low- and very-low income families who pay the higher of either 30 percent of their adjusted income or 10 percent of their gross income on rent. Many HUD § 8 apartments are reserved for the elderly, and a small portion are specially designed for the mobility impaired.

HUD Section 202 program - units designed for elderly or disabled low- and very-low income persons. Developed by non-profit entity.

HUD Section 236 program - program targeted to lower-income families who pay a set basic rent, or 30 percent of their adjusted income on rent, whichever is higher (but not exceeding the market rent).

Infrastructure - services and facilities including roads, highways, water, sewerage, emergency services, parks and recreation, etc. Infrastructure can include public and private facilities.

Low income - as applied to most housing programs, household income below 80 percent of the local area median income, as defined by HUD.

Low rise - a building with one to three stories.

Market analysis - the synthesis of supply and demand analysis in a particular market.

Market area - the geographical region from which the majority of demand and the majority of competitors are drawn is considered the market area, or primary market area. A secondary market may be that area beyond the primary market area from which a certain amount of demand and competition may be drawn.

Market vacancy rate - proportion/percentage of apartment units in any market which are unoccupied.

Metropolitan statistical area (MSA) - a geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities having a high degree of economic and social integration with that core. Qualification of an MSA requires the presence of a city with 50,000 or more inhabitants, or the presence of an Urbanized Area (UA) and a total population of at least 100,000 (75,000 in New England). The county or counties containing the largest city and surrounding densely settled territory are central counties of the MSA. Additional outlying counties qualify to be included in the MSA by meeting certain other criteria of metropolitan character, such as a specified minimum population density or percentage of the population that is urban.

Mid-rise - a building with four to nine stories.

Multi-family housing - structures that contain more than five housing units.

Neighborhood - a segment of a city or town with common features that distinguish it from adjoining areas.

Public Housing or Low Income Conventional Public Housing - HUD program administered by local (or regional) Housing Authorities which serve low- and very-low income households with rent based on the same formula used for HUD Section 8 assistance.

Population trends - changes in population levels for a particular area over a specific period of time—which is a function of the level of births, deaths, and net migration.

Reasonable marketing and management - professional program to acquaint potential tenants with a particular product and retaining them after their agreement to rent.

Redevelopment - the redesign or rehabilitation of existing properties.

Rent overburden - circumstances where renters devote more than 30 percent of their income to housing costs.

Rental housing demand - demand for rental housing--which may be derived from population and household growth and demand from existing rental households who would consider moving to any proposed development.

Single-family housing - a dwelling unit, either attached or detached, designed for use by one household and with direct access to a street. It does not share heating facilities or other essential building facilities with any other dwelling.

Special needs population - specific market niche which is typically not catered to in a conventional complex. This population should exhibit certain criteria which can be well-defined and are reasonably quantifiable, in order, for example, to assess the need and demand from this source.

State data center (SDC) - a state agency or university facility identified by the governor of each state to participate in the Census Bureau's cooperative network for the dissemination of census data.

Subsidy - below market rent charged to a tenant (usually in an income group below a specified threshold) that is a function of a particular financing program.

Substandard conditions - housing conditions that are conventionally considered unacceptable which may be defined in terms of lacking plumbing facilities or overcrowded conditions (more than one person per room, on average).

Target population - market niche a development will appeal to or cater to.

Tenant - one who rents from another.

Tenure - refers to the distinction between owner-occupied and renter-occupied housing units.

Townhouses - single-family attached residence separated from another by party walls, usually on a narrow lot offering small front and back-yards; also called a rowhouse.

USDA/Rural Development (RD) program - formerly the Farmers Home Administration Section 515 rural rental housing program. Here, low interest (1 percent) loans are made to owners to reduce rents (including utilities) paid by low-income tenants. The program serves low- and moderate-income persons in rural areas who pay 30 percent of their adjusted income on rent or the basic rent, whichever is the higher (but not exceeding the market rent). In many cases project-based rental assistance is available and very low income tenants pay 30 percent of their adjusted income on rent and utilities.

Very low income - household income below 50 percent of the local area median, as defined by HUD.

Zoning - classification and regulation of land by local governments according to use categories (zones); often also includes density designations.

MARKET ANALYST CERTIFICATION AND CHECKLIST

I understand that by initializing (or checking) the following items, I am stating those items are included and/or addressed in the report. If an item is not checked, a full explanation is included in the report.

The report was written according to DCA's market study requirements, that the information included is accurate and that the report can be relied upon by DCA as a true assessment of the low-income housing rental market.

I also certify that I have inspected the subject property as well as all rent comparables.

Signed:



Date: June 28, 2007

A. Executive Summary

Market demand for subject property given the economic conditions of the area	Page	2
Projected Stabilized Occupancy Level and Timeframe	Page	2
Appropriateness of unit mix, rent and unit sizes	Page	2
Appropriateness of interior and exterior amenities including appliances	Page	2
Location and distance of subject property in relationship to local amenities	Page	2
Discussion of capture rates in relationship to subject	Page	2
Conclusion regarding the strength of the market for subject	Page	2

B. Project Description

Project address, legal description (<i>not available</i>) and location	Page	5
Number of units by unit type	Page	5
Unit size, number of bedrooms and structure type (i.e. townhouse, garden apartment, etc)	Page	5
Rents and Utility Allowance	Page	5
Existing or proposed project based rental assistance	Page	5
Proposed development amenities (i.e. washer/dryer hookups, dishwasher etc.)	Page	6
For rehab proposals, current occupancy levels, rents, and tenant incomes (<i>not available</i>), as well as detailed information as to renovation of property	Page	n/a
Projected placed in service date	Page	6
Construction type: New Construction/Rehab/Adaptive Reuse, etc.	Page	5

Occupancy Type: Family, Elderly, Housing for Older Persons, Special Needs.	Page 5
Special Population Target (if applicable)	Page n/a

C. Site Evaluation

Date of Inspection of Subject Property by Market Analyst	Page 7
Physical features of Subject Property and Adjacent Uses	Page 7-10
Subject Photographs (front, rear, and side elevations as well as street scenes)	Page 8-9
Map identifying location of subject as well as closest shopping centers, schools, medical facilities and other amenities relative to subject	Page 7
Developments in vicinity to subject and proximity in miles (Identify developments surrounding the subject on all sides)	Page 7
Map identifying existing low-income housing within the Primary Market Area and proximity in miles to subject	Page 12
Road or infrastructure improvements planned or under construction in the PMA	Page n/a
Comment on access, ingress/egress and visibility of subject	Page 11
Any visible environmental or other concerns	Page 11
Overall conclusions of site and their marketability	Page 11

D. Market Area

Map identifying Subject's Location within PMA	Page 14
Map identifying Subject's Location within SMA, if applicable	Page n/a

E. Community Demographic Data

Data on Population and Households Five (<i>three</i>)Years Prior to Market Entry, and Projected Five Years Post-Market Entry.	Page 15-18
---	------------

1. Population Trends

a. Total Population	Page 15
b. Population by Age Group	Page 17
c. Number of elderly and non-elderly (for elderly projects)	Page n/a
d. If a special needs is proposed, additional information for this segment	Page n/a

2. Household Trends

Elderly by tenure, if applicable

a. Total number of households and average household size	Page 18
b. Households by tenure (number of owner and renter households)	Page 19
c. Households by Income (Elderly, if applicable, should be allocated separately)	Page 21
d. Renter households by number of persons in the household	Page 20

3. Employment Trends

a. Employment by industry— numbers and percentages	Page 24
a. Major employers, product or service, total employees, anticipated expansions, contractions in work forces, as well as newly planned employers and impact on employment in the PMA	Page 26
c. Unemployment trends for the PMA and, where possible, the county total workforce for employment trends for the last two to four years.	Page 28
d. Map of the site and location of major employment concentrations.	Page 27
e. Overall conclusions	Page 28

F. Project Specific Demand Analysis

Income Restrictions - uses applicable incomes and rents in the development's tax application.	Page 29
Affordability - Delineation of Income Bands	Page 33
Comparison of market rates of competing properties with proposed subject market rent	Page 37
Comparison of market rates of competing properties with proposed LIHTC rents	Page 43
Demand Analysis Using Projected Service Date (within 2 years)	Page 29-39
a. New Households Using Growth Rates from Reputable Source	Page 35
b. Demand from Existing Households	Page 35
c. Elderly Households Converting to Rentership (applicable only to elderly)	Page n/a
d. Elderly Households Relocating to the Market (applicable only to elderly)	Page n/a
e. Deduction of Supply of "Comparable Units"	Page 37-38
f. Capture Rates for Each Bedroom Type	Page 38-39
g. Anticipated Absorption period for the property	Page 39

G. Supply Analysis

Comparative chart of subject amenities and competing properties	Page 41-45
Supply & analysis of competing developments under construction & pending	Page 37
Comparison of competing developments (occupancy, unit mix and rents)	Page 38-46
Rent Comparable Map (showing subject and comparables)	Page 46
Rental Assisted Projects in PMA *	Page n/a
Multi-Family Building Permits issued in PMA (<i>City and County only</i>) in last two years	Page 23

* PHA properties are not considered comparable with LIHTC units

H. Interviews

Names, Title, and Telephone # of Individuals Interviewed	Page 68
--	---------

I. Conclusions and Recommendations

Conclusion as to Impact of Subject on PMA	Page 69
Recommendation as to Subject's Viability in PMA	Page 69

J. Signed Statement

Signed Statement from Analyst	Page 71
-------------------------------	---------

K. Comparison of Competing Properties

Separate Letter addressing addition of more than one competing property